

## EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of William J. Hughes to be postmaster at Loris, S. C., in place of W. J. Hughes.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Navy.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the nomination on the calendar will be stated.

## POSTMASTER

The legislative clerk read the nomination of Chester A. Brown to be postmaster at Idaho Springs, Colo.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

## RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess, pursuant to the order heretofore entered.

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, July 7, 1937, at 10 o'clock a. m.

## NOMINATIONS

*Executive nominations received by the Senate July 6, 1937*

## DIPLOMATIC AND FOREIGN SERVICE

Grenville T. Emmet, of New York, now Envoy Extraordinary and Minister Plenipotentiary to the Netherlands, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Austria, vice George S. Messersmith.

Ray Atherton, of Illinois, now a Foreign Service officer of class 1 and counselor of Embassy at London, England, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Bulgaria, vice Frederick A. Sterling.

## APPOINTMENTS AND PROMOTIONS IN THE NAVY

## MARINE CORPS

Lt. Col. Jeter R. Horton, assistant quartermaster, to be an assistant quartermaster in the Marine Corps with the rank of colonel from the 1st day of July 1937.

Lt. Col. Sydney S. Lee to be a colonel in the Marine Corps from the 1st day of July 1937.

Maj. Field Harris to be a lieutenant colonel in the Marine Corps from the 30th day of June 1937.

Maj. Roy C. Swink to be a lieutenant colonel in the Marine Corps from the 30th day of June 1937.

The following-named majors to be lieutenant colonels in the Marine Corps from the 1st day of July 1937:

Donald Curtis  
Ery M. Spencer  
William N. Best

The following-named majors to be majors in the Marine Corps to correct the dates from which they take rank as previously nominated and confirmed:

Edward G. Hagen, from the 1st day of September 1936.  
Bailey M. Coffenberg, from the 1st day of November 1936.  
Samuel W. Freeny, from the 1st day of December 1936.  
Otto E. Bartoe, from the 1st day of January 1937.  
John K. Martenstein, from the 3d day of January 1937.  
John Kaluf, from the 1st day of February 1937.  
Albert W. Paul, from the 1st day of March 1937.  
Arthur D. Challacombe, from the 1st day of April 1937.  
William F. Brown, from the 22d day of April 1937.

Capt. Ralph W. Culpepper to be a major in the Marine Corps from the 1st day of June 1937.

The following-named captains to be majors in the Marine Corps from the 30th day of June 1937:

Paul R. Cowley	Paul A. Lesser
George D. Hamilton	William D. Bassett
Norman E. True	James D. Waller
Carl W. Meigs	Cyril W. Martyr

Capt. Frank S. Gilman to be a major in the Marine Corps from the 1st day of July 1937.

Capt. Thomas J. Cushman to be a major in the Marine Corps from the 1st day of July 1937.

The following-named first lieutenants to be captains in the Marine Corps from the 30th day of June 1937:

Paul D. Sherman	Francis H. Williams
John Wehle	Paul W. Russell
William P. Battell	Frank M. Reinecke
Cornelius P. Van Ness	John M. Davis
Lewis R. Tyler	Walfried H. Fromhold
Archibald D. Abel	James T. Wilbur
Charles E. Shepard, Jr.	Charles H. Hayes
Peter A. McDonald	Donald M. Weller
Michael M. Mahoney	Samuel S. Yeaton
Frank G. Wagner, Jr.	Edward A. Montgomery
Paul Moret	Edgar O. Price
Harold W. Bauer	Robert E. Hill
William B. McKean	

The following-named first lieutenants to be captains in the Marine Corps from the 1st day of July 1937:

James M. Daly	Wright C. Taylor
Ronald D. Salmon	Marcellus J. Howard
Ernest W. Fry, Jr.	

The following-named citizens to be second lieutenants in the Marine Corps, revocable for 2 years, from the 1st day of July 1937:

Fletcher L. Brown, Jr., a citizen of Florida.  
John F. Dunlap, a citizen of Georgia.  
Glenn E. Fissel, a citizen of Ohio.  
John J. Gormley, a citizen of Maryland.  
James D. Hittle, a citizen of Michigan.  
Hugh R. Nutter, a citizen of California.  
Robert H. Ruud, a citizen of North Dakota.  
Joseph L. Stewart, a citizen of Alabama.  
Marvin C. Stewart, a citizen of Mississippi.  
Tom M. Trotti, a citizen of South Carolina.  
Jack F. Warner, a citizen of California.

## CONFIRMATION

*Executive nomination confirmed by the Senate July 6, 1937*

## POSTMASTER

## COLORADO

Chester A. Brown, Idaho Springs.

## HOUSE OF REPRESENTATIVES

TUESDAY, JULY 6, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father upon earth, who has committed unto us the solemn trust of the public service, keep us deeply conscious of our responsibilities. Direct us with Thy most gracious favor and further us with Thy continued help. We pray Thee to give us that due sense of all Thy mercies, that our hearts may be unfeignedly thankful. Day by day enable us to show forth Thy praise in our behavior by walking before Thee in truth and righteousness. We entreat Thee, blessed Lord, at the beginning of these days, that we may free ourselves of irritations, impatience, and worries, and thereby extend our spiritual frontiers and enlarge the boundaries of our understanding. Thou Holy One, our

Passover, may we remember Thee with the unleavened bread of sincerity and truth; whosoever shall do Thy will the same is our brother. Merciful, gracious Lord, increase the strength and the number of our brotherhood. Through Jesus Christ our Savior. Amen.

The Journal of the proceedings of Friday, July 2, 1937, was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 6287. An act to amend Public Act No. 467, Seventy-third Congress, entitled "Federal Credit Union Act"; and

H. R. 6737. An act to amend the stamp provisions of the Bottling in Bond Act.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7562. An act to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. BANKHEAD, Mr. POPE, and Mr. FRAZIER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 2332. An act for the relief of William Sulem; and

H. R. 2565. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On July 1, 1937:

H. R. 6692. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1938, and for other purposes;

H. R. 7726. An act making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations; and

H. J. Res. 433. Joint resolution making appropriations for the fiscal year ending June 30, 1938, for the Civilian Conservation Corps, the railroad retirement account, and other activities, and for other purposes.

On July 5, 1937:

H. R. 1731. An act for the relief of Angelo and Auro Cattaneo;

H. R. 2703. An act to provide for the representation of the United States Court of Appeals for the District of Columbia on the annual conference of senior circuit judges;

H. R. 3284. An act to transfer Crawford County, Iowa, from the southern judicial district of Iowa to the northern judicial district of Iowa;

H. R. 4711. An act to extend the times for commencing and completing the construction of a bridge across Pudget Sound at or near a point commonly known as The Narrows, in the State of Washington;

H. R. 4795. An act to provide for a term of court at Livingston, Mont.;

H. R. 5848. An act to extend times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 6049. An act to amend the Interstate Commerce Act;

H. R. 6285. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River in Washington County, Md., at or near a point opposite Shepherdstown, W. Va., and a point at or near Shepherdstown, Jefferson County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6286. An act authorizing the State Roads Commission of the State of Maryland and the State Road Commission of the State of West Virginia to construct, maintain, and operate a free highway bridge across the Potomac River at or near a point in the vicinity of Hancock, in Washington County, Md., and a point near the north end of Morgan County, W. Va., to take the place of a bridge destroyed by flood;

H. R. 6292. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.; and

H. R. 6494. An act to extend the times for commencing and completing the construction of a bridge across the Snake River between Clarkston, Wash., and Lewiston, Idaho.

#### FARM TENANCY BILL

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7562) to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, with Senate amendments, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from Texas asks unanimous consent to take from the Speaker's table the bill (H. R. 7562), with Senate amendments, disagree to the Senate amendments, and agree to the conference requested by the Senate. Is there objection?

Mr. TOBEY. Mr. Speaker, I object.

Mr. CALDWELL. Reserving the right to object, Mr. Speaker—

The SPEAKER. The gentleman from New Hampshire [Mr. TOBEY] has objected.

Mr. JONES. Mr. Speaker, I hope the gentleman will not object.

Mr. TOBEY. Mr. Speaker, addressing myself to my chairman, he knows our convictions in the matter. A strong group in the Committee on Agriculture, composed of Members on both sides of the aisle, feels as I do, in view of the fact that the Senate has stricken out all after the enacting clause of the House bill and put in an amendment which is a bill which the House committee had turned down on several occasions by a majority vote. We feel we should have a fair chance to have the matter heard in the House and to present arguments pro and con, and therefore I object.

Mr. JONES. May I say to the gentleman, if he will withhold his objection a moment, that I do not think his action in the matter would add anything to the time allowed for discussion. As a matter of fact, the only recourse would be to ask for a rule, which would bring the matter up for a discussion such as we are having now, and, finally, it would be sent to conference for adjustment, anyway. Of course, the House will have full opportunity to vote any conference report we may agree upon up or down, and I think, finally, the gentlemen will have to agree or disagree to whatever the conferees of the House present.

Mr. LUCAS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from New Hampshire withhold his objection?



Mr. TOBEY. I do; yes, Mr. Speaker.

The SPEAKER. The gentleman from Illinois will state his parliamentary inquiry.

Mr. LUCAS. In the event objection is made to the request of the gentleman from Texas, am I correct in my understanding that then the bill will be referred back to the Rules Committee?

The SPEAKER. Will the gentleman from Illinois kindly restate his parliamentary inquiry?

Mr. LUCAS. If objection is made to the unanimous-consent request submitted by the distinguished gentleman from Texas, my inquiry is what will then happen to the bill as presented to the House?

The SPEAKER. In answer to the inquiry, the Chair will state that it is within the discretion of the Chair to allow the bill to lie on the Speaker's table for a reasonable length of time, or to refer the bill and Senate amendments to the Committee on Agriculture.

Mr. JONES. Mr. Speaker, may I answer the question further by a parliamentary inquiry? Would it not be in order for the chairman of the Committee on Agriculture to apply to the Rules Committee for a rule to send the bill to conference?

The SPEAKER. Undoubtedly.

Mr. JONES. And that would simply bring the question up of sending it to conference or not sending it to conference by a vote of the House?

The SPEAKER. The Chair is of that opinion.

Mr. LUCAS. Mr. Speaker, if the gentleman will yield, am I further correct in my understanding that should that happen, then the merits of the bill will not be debated on the floor of the House under time allotted to the chairman of the committee?

Mr. JONES. As I understand it, the chairman of the Rules Committee would have 1 hour within which to debate the question of whether the measure should be sent to conference.

The SPEAKER. That is a correct statement of what the parliamentary situation would be.

Mr. JONES. I, therefore, hope the gentleman will not object, because it will simply put the Rules Committee and myself to that trouble and, finally, the issue would come on sending the bill to conference, and, finally, it seems to me, if the House would send it to conference, which I think it would, the issue would come on whether the House desires to accept the work which may be reported by its own conference committee.

Mr. BOILEAU. Mr. Speaker, if the gentleman from New Hampshire will permit, this matter is of great importance and the House has spent considerable time on it, as the gentleman knows. The Committee on Agriculture has spent several months in the consideration of this particular legislation, and we finally brought in a bill that was acceptable to an overwhelming majority of the House. Does not the gentleman think we should at least have an opportunity of having a conference with the Senate to see if the differences can be ironed out? The views of the gentleman and my own views do not coincide as to the merits of the bill, but does not the gentleman feel we should have an opportunity to iron out the differences and attempts to get some agreement on the legislation during this session?

Mr. TOBEY. I will answer the gentleman's interrogation, if I may, by saying that for months we debated this bill in the Committee on Agriculture and, finally, three different votes were taken whereby a majority of the committee ruled against putting the Government into the business of buying and selling land. We stood steadfast on that and we passed last week the farm tenancy bill without any such provision. It went to the Senate and the Senate, on motion of Senator BANKHEAD, struck out all after the enacting clause and put in its own bill, which would put the Government into the land buying and selling business, and I say that if we allow the measure to go to conference without any objection, the Senate measure would be considered by Members who did not know the lights and shadows of the bill. I propose to object for the reason that I believe the distinguished gentle-

man from New York [Mr. O'CONNOR], and his Committee on Rules should consider the matter, to that end we will go before the committee and ask for sufficient time to elucidate the matter and give the House an opportunity to know what it is voting on, and then in addition, instruct the conferees to stick by the bill as agreed upon by the committee, and passed by the House.

Mr. JONES. May I state to the gentleman that the committee would practically be instructed to insist on what it voted the other day. It voted on its bill, and we cannot control the Senate and what the Senate may do when it has a bill of its own up. When this bill is sent to conference, both bills will be in conference, regardless of what action the House may take.

Mr. TOBEY. Then the only recourse of the House will be to vote the conference report up or down.

Mr. JONES. I think the gentleman knows that we are familiar with the position taken by the committee; we are familiar with the various steps and action taken by the House. In other words, I think the conference committee, so far as it is practical to do so, will sustain the position taken by the House, but we cannot, of course, dictate terms to the other body, and the gentleman by his objection will not further his purpose any more. As a matter of fact, we would have more time in conference to work this out if we could go immediately into conference.

Mr. TOBEY. I disagree with the gentleman. I want this House to know by careful argument the pros and cons of this situation and what we are going into when we appoint the conferees, and then I want the House to instruct the conferees to stick by their guns, according to the House bill.

Mr. JONES. May I suggest this? Unless a point of order is made, under reservation of objection, the gentleman may now state to the House what he thinks the whole history and picture of the situation is. Unless some one demands the regular order under a reservation of a point of order, the gentleman can have an opportunity to state to the House what he thinks the whole situation is.

Mr. TOBEY. I am working on principle and not from the personal standpoint. I think we can have a better opportunity, and better consider this bill in its different shades by appearing before the Rules Committee, and then take the wise action of instructing our conferees to stand by the House bill than we would under the present program. I therefore insist on my objection.

Mr. JONES. The gentleman would not have any more opportunity to instruct than he would in the regular way.

The SPEAKER. The gentleman from New Hampshire objects to the unanimous-consent request.

Mr. LUCAS. Mr. Speaker, will the gentleman withhold his objection momentarily?

Mr. TOBEY. Yes.

Mr. LUCAS. Will the gentleman from Texas yield for a question?

Mr. JONES. Yes.

Mr. LUCAS. When the conference report comes into the House for adoption or correction, am I correct in my understanding that a certain amount of time will be allotted to the Members of the House to then debate whatever the conclusions of the conferees may be?

Mr. JONES. Yes. I can allow as much time as is desired up to 1 hour, which is as much as would be given on a rule. On the adoption or rejection of the conference report a full hour will be allotted, and I would be disposed to permit everyone to talk within the range of that time.

Mr. TOBEY. But the only recourse we would have would be to vote the conference report up or down.

Mr. JONES. But I say to the gentleman that he will have the same opportunity to move to instruct the conferees at any time that he would have if we had a rule.

Mr. TOBEY. My judgment and confidence in the Rules Committee is such that if we go before that committee and put this matter before them, I believe they will share the righteous indignation that some of us feel on both sides of the aisle against the policy pursued and carried on.



Mr. JONES. But the gentleman realizes that we have not a right to even attempt to control the action of the other body.

Mr. TOBEY. We have a right to secure legislation we desire by using every expedient in our power, and I propose to do it.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. Yes.

Mr. KELLER. What, in the gentleman's judgment, would be the result—suppose our conference committee confers with the Senate committee and fails to agree? Does the gentleman not believe that such a conference might lead to a more clear understanding? Has it not been the gentleman's observation that our committees always represent the attitude of the House insofar as possible, where it is a direct question, as the gentleman proposes it here? I agree with the gentleman entirely, but I see nothing to be gained by putting it off. It seems to me that we ought to do this as quickly as we can so as to accomplish the very thing the gentleman talks about, so that, if they cannot get together—

Mr. TOBEY. Everything is relative in this world, and the gentleman has suggested a relative argument.

Mr. KELLER. Is there anything to be gained by not going ahead and trying to do the thing first?

Mr. TOBEY. Yes; I think there is much material to be gained.

Mr. KELLER. Would not the gentleman put himself into the attitude of taking an alternative position and saying you can either come to us or we quit?

Mr. TOBEY. No.

Mr. BOILEAU. In view of the chairman's request that we disagree to the Senate amendments, does not the gentleman feel that that shows the House's position—if we disagree to the Senate amendment with the assurance that there will be full opportunity of discussion when the matter comes back?

Mr. TOBEY. No.

Mr. BOILEAU. You cannot instruct them, as I understand it, by the adoption of a rule.

Mr. TOBEY. We can when it comes on the floor under a rule. We can put with that an instruction that will be definitely forwarded.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. MICHENER. I happen to be one of the few who oppose this bill in the House, and one of the reasons suggested was that the purpose was to send this bill to the Senate and do to the bill just what has been done by the Senate. At the time the matter was before the House this matter was not discussed. The gentleman from New Hampshire [Mr. TOBEY] asked the chairman of the Committee on Agriculture [Mr. JONES] some very pointed questions, and the gentleman, in a very proper way, said he could not discuss the matter then. It is of such prime importance that it seems to me it should be discussed in the House and that the House should thoroughly understand the matter and give instructions to the conferees, to make their road easy in the Senate, because we have had experience with these conference reports. What happens too often is that the House yields and the chairman of the conference committee comes back and says they did the best they could. That will be the Senate bill in this case. I do not believe a majority of the House favors it. The only way we can get this before the House is to object today, and get a rule and bring it in and give ample time for discussion.

Mr. TOBEY. I agree with the gentleman.

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. JONES. I would like to make this statement in that connection: The gentleman from Michigan [Mr. MICHENER] knows that if we were instructed not to dot an "i" or cross a "t" in the House bill we would have no conference. On the two propositions made by the gentleman from Michigan, if we were instructed not to make any changes in the House

bill, we would have no conference. On the second proposition, that we usually yield, I beg leave to most humbly disagree with the gentleman from Michigan. If he will look over the measures which this committee has handled, he will find that nearly always the major features of the House bills have been retained. As a matter of fact, so much so that on one occasion one of the conferees in the other body made the complaint that we always ran away with the ball. I do not think we always do it, but he made that complaint. The conferees on the part of the House, I think, understand the temper of the House and the wishes of the House and will try to interpret them. Of course, we will try to fight for our proposition.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. RANKIN. I am one of the Members who wants to stand by the House bill, but I doubt very seriously if you would accomplish anything by objecting now and forcing a rule on the proposition. I am going to make a suggestion. The way to do it is to instruct conferees by a motion. I suggest to the gentleman from New Hampshire [Mr. TOBEY] and the gentleman from Texas, chairman of the Committee on Agriculture [Mr. JONES] that there are certain features of the House bill that we want to see carried out. Instead of forcing this measure to go to the Rules Committee, I suggest that the gentleman from Texas withdraw his request for the time being and let those Members who are interested in this proposition work out their motion to instruct the conferees on the specific questions in the bill, in which they are so vitally interested. I would not accept the Senate bill, if I could possibly help it. I hear that sentiment expressed all around me.

Mr. JONES. If the gentleman will yield further—

Mr. TOBEY. I yield.

Mr. JONES. I would rather the instructions would come, if they do come, after we have tried to see what we can do in conference. I will state this, that if we have to depart very widely in order to reach any sort of agreement, in fact, if we had to abandon the essential features of our bill, insofar as what the gentleman has in mind is concerned, I would probably want to come back, and I think the other conferees would want to come back for instructions. I would not want to say that we would not make any concessions. I do not want to go to conference with another body with my hands completely tied, with instructions which say, "Now, you go over and say to the other body", which has equal dignity and power, "you take what we offer or nothing." I do not think that is the proper spirit of a conference.

Mr. RANKIN. The instructions I had in mind were not on the entire bill.

Mr. DOXEY. Mr. Speaker, will the gentleman yield to me?

Mr. TOBEY. I yield to the gentleman from Mississippi.

Mr. DOXEY. I did not want to inject myself into this discussion for the reason that I can appreciate the position of both of the gentlemen. However, the House tenant bill has several titles that the Senate bill does not have. It has a submarginal title; it has a rehabilitation title. I do not know whether I will be a conferee or not, but this is by way of adjusting our differences: My honest opinion is that we should appoint conferees now and go into conference, because there are a number of differences that may be ironed out. I know the gentleman is honest and I know his fairness, and if I make a fair proposition I believe the gentleman will accept it, but I suggest, in order to work out these differences which will come up, for instance, I know the gentleman is interested possibly in the rehabilitation feature, in the purchase of submarginal lands for better land uses, and so forth. There are a number of important House provisions that the Senate bill does not contain that I feel sure the Senate conferees will approve and accept. We can get to work as conferees and analyze each bill and see just what we can agree upon, before we ask this House for any instructions.



I am not entirely familiar with the Senate bill, but I think possibly—in fact, I know—the House bill contains many provisions not in the original Senate bill. Now, if the conferees of the House are appointed they can meet with and see the temper of the Senate conferees.

May I not also augment what the chairman of the Committee on Agriculture said about conferences between the House and Senate, and I happen to have been selected, I think, a member of most of the conference committees on bills dealing with agriculture? I know that the Senate has always been reasonable and we have usually brought back to this House in the main what the House has voted. I do not know what will happen in this instance, but knowing the gentleman from Texas as I do, and knowing my distinguished friend from New Hampshire, as I do, I believe that if he and the gentleman from Texas, our chairman, could have some understanding that we will try to iron out this thing it would help. It is possible that the Senate will yield, although I am not prophesying anything; but after we do the best we can as House conferees I think then in the matter of expediency and getting started toward an agreement, if the distinguished gentleman from Texas would say, especially with reference to title I, that the House will not yield its position entirely until the House conferees bring it back to the House for further consideration, that all this delay and perfunctory procedure might be eliminated. I do not know what the gentleman from Texas will say, for I have not conferred with him. I know the gentleman's interest in title I; I can appreciate it, but I know there is something else in the bill besides title I. That is the outstanding section of the bill, title I.

I know, too, that of the Senate conferees one will be Senator BANKHEAD. I have always found him in any conference willing and ready to give and take for what he thought was the best interests of agriculture in general, and I should hate for the whole conference to be blocked or the conference committee prevented from beginning work immediately, which is absolutely necessary, if the gentleman is assured by the chairman of our Committee on Agriculture that we will not surrender or capitulate with reference to title I until we have some understanding with the House. I do not know whether this is the most practical suggestion or not, but it appeals to me as being in the interest of expediency and just about the best way in which to attack this problem and solve it to the best interests of all concerned. Then the conferees can go to work immediately.

Mr. JONES. I thank the gentleman from Mississippi. I take pleasure in stating that before I will surrender the substantial features of title I of the House bill I will come back for further instructions or special vote. There might be some minor changes that we would agree to, but I mean the substantial features.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. HOPE. Does the gentleman from Texas mean by that that he would bring this back to the House before yielding to any changes which might amount to a change in the philosophy of the bill?

Mr. JONES. Yes; that is correct, before agreeing to a substantial change in the philosophy of the House bill.

Mr. HOPE. The fundamental difficulty here is that we have two entirely different philosophies, one embodied in the House bill and the other in the Senate bill. One House or the other will have to surrender its philosophy in conference on the bill for there is no middle ground. I think this is the thing that the Members who favor the House bill want to be assured of, that there will be no surrender of the principles of the House bill without the matter being fairly submitted to the House; and it is rather difficult to do that in the course of a conference.

Mr. JONES. I have no hesitancy in stating that, so far as I personally am concerned—I could not bind the other conferees—as far as I personally am concerned, before I would agree to an outright change of the philosophy of title I for the Government to buy this land and resell, I

would want the instructions of the House on that particular subject, and, in fact, I would come back and ask for instructions.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. LUCAS. In this situation should not the House conferees at least make a report and then the House decide as to whether they would instruct the conferees under the circumstances?

Mr. JONES. That should be the procedure, as I understand it.

Mr. DOXEY. The gentleman from New Hampshire would accomplish his purpose in a more satisfactory way, in my humble judgment, by following that procedure than the one he now seeks to pursue.

Mr. TOBEY. I may say to the gentleman from Mississippi, with all due deference, that I yield to no one in the regard I have for MARVIN JONES; I have an affection for the man; and, while I would like to go all the way with him, there is a principle involved and my proposal is one that would save MARVIN JONES from a devil of a lot of pressure. He knows it, and I know it.

I propose to do this thing and to stick by my guns, if necessary, going before the Rules Committee. Members of the House on both sides of the aisle are agreed on the policy of the House, and I think we should stand by our guns against launching the Government into a policy of the purchase and sale of land.

Mr. RAYBURN. Will the gentleman yield?

Mr. TOBEY. I yield to the gentleman from Texas.

Mr. RAYBURN. It appears to me, following the suggestion of the gentleman from Kansas especially, the gentleman from Texas, and the gentleman from Mississippi, that there is a fundamental difference in title I of the House bill and the Senate bill. As expressed by the gentleman from Kansas, there is a difference in governmental philosophy. I believe the gentleman from New Hampshire would in all probability serve his purpose better by accepting the agreement that the gentleman from Texas has just said he is willing to make. That is, before the fundamentals of title I of the House bill are abandoned in any essential particular, that the gentleman bring the matter back to the House for discussion and vote. We would get further on that proposition than we would by a debate under a rule and a flat vote on whether or not we were going to tie the conferees on the part of the House and to a slight degree at least say we were so hide-bound we were not willing to go to conference. Frankly, I have always stood by the House committees, especially since I have been in the position I now hold. I think the gentleman from New Hampshire and all of those who believe and act with him would really get further under that procedure than the one he proposes with reference to a rule.

Mr. TOBEY. I respect what the gentleman says, and I believe he is earnest and sincere in every point he has raised; but there is an old axiom that "he who is convinced against his will is of the same opinion still." I am still of the same will, and my convictions work the other way; therefore I shall stick to my objection.

The SPEAKER. Does the gentleman from New Hampshire insist upon his objection?

Mr. TOBEY. Mr. Speaker, I object.

#### EXTENSION OF REMARKS

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech made by ex-Gov. Charles Mabey, of Utah.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

#### AMENDMENT OF CANAL ZONE CODE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4597) to



amend the Canal Zone Code, with an amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 5, after line 19, insert:

"Sec. 10. That section 222 of title 2 of the Canal Zone Code is hereby amended to read as follows:

"222. Carriage by Panama Railroad Co. of marine and fire insurance: The Panama Railroad Co. shall carry no insurance to cover marine or fire losses: *Provided*, That this section shall not prohibit the company from carrying insurance to cover shipments of its own funds and securities."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. SNELL. Mr. Speaker, I think the gentleman from Virginia should tell us what the new section means.

Mr. BLAND. Mr. Speaker, section 222 of the existing law provides that the Panama Railroad Co. shall carry no insurance to cover marine or fire losses. That was to protect against the necessity of spending a lot of money. However, it has been felt that would prohibit the Panama Railroad Co. from insuring shipments of its own funds and securities; so that the only new thought contained herein is the proviso which reads:

This section shall not prohibit the company from carrying insurance to cover shipment of its own funds and securities.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. KERR. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein an able address by assistant administrator, Agricultural Adjustment Administration of North Carolina, Mr. J. B. Hutson.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I want to call attention to the Treasury statement issued by the Secretary of the Treasury, Mr. Morgenthau, dated June 30, whereby the total receipts of the Government for last year were \$5,293,840,236.87. The total expenditures were \$8,105,158,547.47. The deficit is \$2,811,318,310.60, according to the Treasury statement. This is a deplorable situation. A travesty to America's future. An unjust obligation on the future generations.

I call attention to the fact that there should be charged off, according to the President in his Budget message, \$404,525,000 for interest. The Treasury did not do it; there was only charged off \$103,971,200, which leaves a shortage of \$300,553,800, showing that the national debt increased last year over \$3,111,872,110.60. Much of this great debt is caused by willful waste and extravagance. Much by incompetence and inexperience. Stop the extravagance. Stop the waste. Stop unworthy projects of the Government.

I call attention to the enormous waste of money by many of the bureaus of this Government, and especially by the Resettlement Administration.

Mr. Speaker, with the appropriation about to be made in the emergency relief appropriation bill for 1937, more than \$536,000,000 will have gone into the greatest conglomeration

of mismanaged and wasteful projects that has ever been conceived by the mind of man. I refer to the Resettlement Administration. Look where you will and you can find evidence of gross waste and misuse of public funds on every side.

These Resettlement projects will undoubtedly prove to be the most costly of all of the experiments of the "brain trusters", for while the money has already been spent, practically nothing of permanence has been accomplished but at an expense which is far above the limits of economy and common sense. Even the annual report which was published at a cost of \$1.07 per copy is being sold at a loss for 40 cents a copy at the Government Printing Office.

Although there are some who will attempt to justify the waste which has already taken place, no sensible person can condone a continuation of the same processes in the future. No one can challenge the recent remark of Senator BORAH that the excessive administrative expense of the Resettlement Administration "approaches a national scandal."

No one can justify the Resettlement's program of buying and retiring marginal land in some sections of the country and in the next moment turning right around and buying up land at \$7.10 an acre and expecting the people of this country to believe that a family can make a living on 20 acres of this land if they are provided with about \$6,000 or \$8,000 worth of improvements and modern conveniences.

No one with common sense will believe that there is any element of economy in taking farm families from Minnesota and Wisconsin to resettle them at a cost of more than \$20,000 per family in the Matanuska Valley in Alaska. But everyone within the range of my voice, or everyone who can read the results of the wasteful spending which has already taken place, can instantly realize that when we are hiring from twelve to thirteen thousand persons at a cost which runs from \$25,000,000 to \$30,000,000 a year to supervise the squandering of the taxpayers' money it is time for this Congress to wind up this resettlement business and save money.

#### FEW EXAMPLES OF WASTE

These projects have all been more or less wasteful in general, so the purposes of this argument can best be served by directing your attention to specific examples of waste and mismanagement.

#### GREENBELT

First, I will take up this Greenbelt project, right close at hand. You can drive out and see for yourselves just what a wasteful proposal this amounts to. To begin with, the site selected for the Greenbelt project is an assemblage of various properties totaling 12,393 acres. The location is approximately 5 miles from the District line, near the village of Gresham.

#### NOTHING TO RECOMMEND SITE

There is nothing to recommend this particular site except its nearness to both Baltimore and Washington. The terrain is very poorly adapted for residential purposes, there being many hills and deep gullies. It was never any good for farming, as the topsoil has for the most part been eroded away for generations, and the underlay is a mixture of red clay and a sandy gravel. About the only vegetation which grows on the site is scrub oak and stunted jack pine. Part of the acreage is so low that during preliminary building operations corduroy roads had to be laid down so that vehicles could get to the field headquarters.

#### FIRST CONSTRUCTION WORK

First construction work at Greenbelt was initiated by recruiting an army of laborers from the transient relief bureaus in Baltimore and Washington. Each morning last year this pitiable crew of down-and-outers were assembled at the transient bureau and marched to Union Station. There was a train waiting to haul them part way to the project. The balance of the way they were hauled by truck.

Rain or shine these men were taken out to the job and whether or not they did any actual work depended on the



whim of the field foremen. Now, this army of the unemployed, many of whom had been left stranded in Washington when the New Deal jobs began to peter out, had about as much interest in work as a mouse has with a first-class tomcat.

It was, indeed, an interesting sight to watch them put in time. Most of the spring the roads and field were either a sea of mud or a tangle of vines and underbrush. The work to be done was undoubtedly distasteful, but somehow roads were staked out, the brush gradually began to disappear from the right-of-way, the stacks of wheelbarrows and shovels began to show signs of use, and some work at least was being accomplished.

These men were on relief and received relief wages. Whether or not they were charged against the project I have grave doubts, but at the time I am informed this work was not charged as an item of the cost of the whole Greenbelt project.

Before the roads were fully laid out, materials began to arrive on the site for construction purposes, so a guard force was established, and enough red lanterns scattered around to take care of all the traffic in the District of Columbia. The guards were quite inquisitive as to who would visit the construction site, and many inquiring visitors were turned back, but now we are able to report at least in part what a great mistake this Greenbelt project really is.

#### ITEMS OF WASTE

As I mentioned before, the site had nothing special to recommend it. But to make the site more suitable for the families who will eventually occupy a small part of the area we find that \$456,603.50 has been spent for landscaping the grounds, \$223,884.77 has been spent for a water-supply system, and \$536,262.31 for a sewage-disposal plant. In addition to these sums, \$198,850.17 has been spent in land preparation and \$238,276.89 building roads and streets. Now, try and imagine if you can buying this land at \$4 per acre and then spending money preparing it for use in part at a rate more than twice the cost of the land itself.

#### COST PER UNIT EXCESSIVE

But to bring all the facts together—we find that the final cost of each of the projected unit homes in Greenbelt will be something like \$16,182 or more.

No Federal employee in the low-salaried brackets will therefore be able to buy or rent one of these Greenbelt homes, and the Government will in all probability lose the greater part of the investment sooner or later.

This is just another instance of the futility of the Government trying to meddle in business. Almost invariably their efforts at establishing a precedent or a yardstick, so to speak, have been not only failures but costly enterprises to the taxpayers.

Mr. Speaker, I do not want to dig too deeply into the record of the Resettlement Administration, but it seems to me that the \$112,340 of the taxpayers' money which was spent last year in maintaining a staff of 32 publicity experts is the most sordid chapter in the whole affair. To say the least, the information and the publicity put out by these experts was very highly colored if not deceptive and untruthful in many instances. This was not a publicity bureau; it was a propaganda bureau. The facts about the Resettlement Administration have only been brought to light by the insistence of Senator BYRD, of Virginia, and others, who have had a suspicion for a long time that there was something "rotten in Denmark" when Mr. Tugwell suddenly decided to go into the molasses business.

The waste I have mentioned at Greenbelt can be multiplied by the waste of the projects of a similar nature near Milwaukee, Wis., and Cincinnati, Ohio.

At Greenhills, Ohio, the waste was so flagrant that even engineers on the job who visited at Washington talked about it. Although the whole site in Ohio was underlaid with limestone rock suitable for road building and despite the fact that there were several former quarries on the properties purchased, I am informed that the management spent upward of half a million dollars buying crushed rock

for road-building purposes, when all they would have had to do is to have some contractor install a small crusher and get all the materials at low cost and without a long haul at a fraction of this sum.

Mr. Speaker, these suburban resettlement projects have cost the Federal Government more than \$33,000,000 and not one single family has been housed so far. What more need be said of this feature of the Resettlement Administration?

Besides the suburban resettlement activities, some one of the brain trusters conceived the idea that they ought to start a back-to-the-land movement in various sections of the country at the same time the Department of Agriculture were promoting their crop-reduction program and buying millions of acres to put into grass and grazing lands, conservation projects, and wildlife refuges.

A typical rural resettlement project is Penderlea Homesteads, near Penderlea, N. C.

#### PENDERLEA HOMESTEADS, N. C.—ANOTHER RESETTLEMENT FANTASY

Penderlea Homesteads consists of an original tract of 4,550 acres of land purchased at a cost of \$7.10 per acre. On this land 142 houses for farm homesteaders have been erected. The average farmstead is about 20 acres in size.

The improvements consist in general of a frame four- to six-room house, a chicken house with fenced-in chicken run, a barn, a movable hog house, and a pump house. Every house is equipped with a complete built-in bath, kitchen cabinets, sewage system with septic tank, a water system with electric pump, pressure tank, and hot-water facilities. All in all these farmsteads are thoroughly modern and well above the average accommodations of the farmers of North Carolina or any of the Southern States.

The particular feature of this Resettlement activity is the fact that these expensive improvements were placed on land which was obtained at the low price of \$7.10 per acre. By contrast in other sections of the country the Department of Agriculture is constantly purchasing lands in this price range as part of the land-retirement program. There seems to be something out of kilter in a program which is so poorly designed as to try on the one hand to encourage farming in North Carolina on land which anyone could obtain probably with a maximum investment of \$200 per farm, and the promotion of colonies in Alaska which requires an investment of over \$15,000 per farm family.

Besides the activities in rural and urban resettlement, this Resettlement Administration also had some strange, if not weird, experiences in the operation of their land-development program.

#### SHELBY FOREST IN TENNESSEE

For instance, there was the Shelby Forest in Tennessee. This is a tract of 9,688 acres in the State of Tennessee, which was to be acquired at a cost of \$141,874. Now, let me relate just what happened here, according to Mr. Tugwell's report, made before the lure of the molasses business drew him away from the public service.

On page 138 of the annual report, I find that the Resettlement Administration have already spent \$148,273 in salaries and wages on the Shelby Forest tract and have furnished employment to 444 persons, although title to not one single acre of the properties has been obtained or one cent spent for the property. What business or what government can exist and maintain the confidence of the people by such haphazard and uncalled-for practices?

Mr. Speaker, not the least of the shortcomings of the Resettlement Administration is the apparent disregard for sound business principles coupled with excessive waste which is everywhere apparent, but it is in the expressed attitude of those who would continue these wasting processes. In appearing before the subcommittee of the House of Representatives while considering the Emergency Relief Appropriation Act for 1937, Mr. Secretary Wallace said:

It is a part of our progress, and inevitable progress, to displace, for a time at least, a large number of human beings by machinery. This goes on in the country as well as in the towns.

While I quite agree with Mr. Wallace's statement, I respectfully ask the Secretary of Agriculture if he believes that



we can solve the problems of the machine age by either attempting to domicile the city worker in a \$16,000 mansion somewhere in the country or by settling the farm misfits on small tracts of low-productive land equipped with all the conveniences of the modern city? Both theories, I feel sure will prove false and deceptive and conducive to general discontent on the part of the population who must pay the bills that a select few may enjoy advantages brought to them by a patronizing government.

Mr. Speaker, there are many other items of interest in the Resettlement Administration's record which I would like to review but time will heal this scar upon the face of decency, but I do want to call attention to one more item in the waste which is still going on. That is the amount being spent for traveling expenses.

#### TRAVELING EXPENSES

If all of the money which has been spent for traveling expenses were actually used for that purpose, we either have a highly mobile force working for the Resettlement Administration or in fact a large number of employees must have put in their entire time traveling. We all enjoy a trip now or then, but the amount of money which has been spent for traveling expenses, namely \$6,241,668 in 1936, and \$4,407,219 in 1937, or a total of \$10,648,887, is appalling. This is enough money to buy 1,000,000 tickets from here to Pittsburgh. It is enough money to buy 20,000 tours around the world. It is enough money to buy each one of the 12,000 Resettlement Administration employees a first class circle tour of the Orient. Now where did they find time to do all this traveling and still have time to do any work for the Government salaries they draw? If this was a mobile and traveling force, I cannot see what use the Resettlement Administration could possibly have made of all the high-priced office space they rent and occupy here in Washington and practically every other large city of the country. Are we about to uncover another national scandal or is this traveling made in the interests of the New Deal and the party in power?

Mr. Speaker, this Resettlement Administration has more to condemn it than any single enterprise ever attempted by the brain trust. The time will come, I venture to predict, when the Democratic Party will be loath to admit that they were instrumental in voting this wasteful outfit, now a part of the Department of Agriculture another \$100,000,000 to carry on, and pay for that which does an irreparable injury to the credit of the United States and the morale of the American people.

Mr. Speaker, we have met the advances of the brain trusters, and played their game. The cards were against us and we have lost. Let us now heed the philosophy of the Chinaman who said, "Fool me once—shame on you. Fool me twice—shame on me." [Applause.]

#### EXTENSION OF REMARKS

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a short letter from Herbert Resner, of the Tom Mooney Molders' Defense Committee, with regard to a certain situation prevailing at San Quentin Prison.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. TEIGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an address recently made by me at Detroit, Mich.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech delivered before the League of Women Voters by Mrs. Edith B. Cook.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief excerpt from a court decision dealing with the oil situation.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

#### PRIVATE CALENDAR

The SPEAKER. This is Private Calendar Day. The Clerk will call the first bill on the Private Calendar.

#### LILLIAN J. GLINN

The Clerk called the first bill, S. 727, validating homestead entry, Billings 029004, of Lillian J. Glinn.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the stock-raising homestead entry, Billings 029004, made by Lillian J. Glinn on June 28, 1927, as amended, for all of section 32, township 7 south, range 54 east, Montana principal meridian, is hereby validated, and the Secretary of the Interior is hereby authorized to accept the final proof submitted by the entrywoman, now Lillian J. Castleberry, in support of said homestead entry on December 20, 1934, and to issue patent for the entry in regular course.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

#### ROGER H. YOUNG

The Clerk called the next bill, H. R. 3231, for the relief of Capt. Roger H. Young.

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

#### J. MONROE JOHNSON

The Clerk called the next bill, H. R. 7140, to authorize J. Monroe Johnson, Assistant Secretary of Commerce, to accept a decoration and diploma from the Belgian Government.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill (S. 2497) may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

*Be it enacted, etc.,* That John Monroe Johnson, Assistant Secretary of Commerce, is authorized to accept the decoration which has been tendered him by the Belgian Government.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7140) was laid on the table.

#### MARJORIE L. BAXTER

The Clerk called the next bill, H. R. 420, for the relief of Marjorie L. Baxter.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marjorie L. Baxter, of Port Chester, N. Y., the sum of \$12,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Marjorie L. Baxter on account of permanent injuries received when the automobile in which she was riding was struck on the Bronx River Parkway near Crestwood, N. Y., April 24, 1934, by a motor vehicle in the service of the Civilian Conservation Corps.

With the following committee amendments:

Line 5, strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Line 8, strike out "\$12,000" and insert "\$3,500."

Page 2, after line 4, insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the



contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. F. AMORY

The Clerk called the next bill, H. R. 851, for the relief of A. F. Amory.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the claim of A. F. Amory against the United States for damages alleged to have been caused on the early morning of August 6, 1929, by a collision in the harbor of Cape May, N. J., between a submerged wreck alleged to have been then in custody of the United States Coast Guard, at Cape May, N. J., and the power boat *Mocking Bird* owned and operated by the said A. F. Amory, as a result whereof it is alleged that the said power boat *Mocking Bird* sustained substantial damage, may be sued for by the said A. F. Amory in the District Court of the United States for the Eastern District of Virginia, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the said A. F. Amory upon the same principles and measures of liability as in like cases between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided for by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend said United States: *Provided further*, That said suit shall be brought and commenced within 4 months from the date of the passage of this act.

With the following committee amendments:

Page 1, line 3, strike out "that the claim of A. F. Amory" and insert "that jurisdiction is hereby conferred upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claim of A. F. Amory, of Hampton, Va."

Page 2, line 4, after the word "damage", insert "and the same." Line 6. strike out "Eastern District of Virginia" and insert "District of New Jersey."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claim of A. F. Amory."

H. G. HARMON

The Clerk called the next bill, H. R. 1075, for the relief of H. G. Harmon.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill (S. 885) may be considered in lieu of the House bill.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to H. G. Harmon, of Hampton, Iowa, the sum of \$400 in full satisfaction of his claim against the Government for damages arising out of personal injuries to his wife and son and the destruction of his automobile, suffered when such automobile was struck and completely demolished by a Civilian Conservation Corps truck, on September 10, 1935, near Hampton, Iowa, and for expenses and losses resulting therefrom: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 7, after the words "the sum of", strike out "\$400" and insert in lieu thereof "\$500."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 1075) was laid on the table.

AGNES EWING HARTER

The Clerk called the next bill, H. R. 1114, for the relief of Agnes Ewing Harter.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Agnes Ewing Harter, of Columbus, Ohio, the sum of \$10,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Agnes Ewing Harter and her two minor children on account of the death of her husband, Albert Edward Irvine Harter, late first lieutenant, Air Corps Reserve, United States Army, who was fatally injured in line of duty on July 27, 1932, in an airplane accident at Circleville, Ohio, while voluntarily participating in an aerial flight in a Government-owned aircraft by proper authority as an incident to his military training.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of War is hereby authorized and directed to pay, out of the current appropriation of the War Department for pay of the Army, to Agnes Ewing Harter, of Columbus, Ohio, widow of Albert Edward Irvine Harter, late first lieutenant, Air Corps Reserves, United States Army, who was killed in line of duty July 27, 1932, in an airplane accident at Circleville, Ohio, a gratuity equal to 6 months' pay at the rate which said Albert Edward Irvine Harter would have received had he been on active duty at the time of his death: *Provided*, That Agnes Ewing Harter shall first establish to the satisfaction of the Secretary of War that she was actually dependent on the said Albert Edward Irvine Harter at the time of his death, as prescribed by the act of December 17, 1919 (41 Stat. 367)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAT HENSLEY AND OTHERS

The Clerk called the next bill, H. R. 1122, for the relief of Mat Hensley.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,500 to Mat Hensley, of Wallins Creek, Ky., in full settlement of all claims against the Government of the United States for personal and permanent injuries suffered by him on September 13, 1935, when a taxicab in which he was riding in Harlan County, Ky., was, through and by the negligence of one of the employees and enrollees of the United States Civilian Conservation Corps, struck and demolished by a Civilian Conservation Corps truck operated by him; that his injuries were caused by the reckless, careless, and negligent manner in which said truck was operated by said Civilian Conservation Corps enrollee, and he would not have been injured but for the said recklessness, carelessness, and negligence of said enrollee: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Kentucky to hear, deter-

mine, and render judgment, as if the United States were suable in tort, upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, and Clyde Thorpe, all of Wallins Creek, Harlan County, Ky., for damages resulting from personal injuries and property damage, and upon the claim of D. L. Mason, of Wallins Creek, Harlan County, Ky., for damages resulting from the death of his minor daughter, Dorothy Mason; said injuries, death, and property damage having been received when the taxicab in which they were passengers was in a collision with a Civilian Conservation Corps truck on the highway between Lake View and Harlan, Harlan County, Ky., on September 14, 1935: *Provided*, That the judgment, if any, shall not exceed, in the case of Mat Hensley, \$1,500; in the case of Arnold Blanton, \$1,000; in the case of Lillie Price, \$3,500; in the case of Clyde Thorpe, \$1,500; and in the case of D. L. Mason, \$5,000.

"Sec. 2. Suit upon such claims may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, appeals therefrom, and payment of any judgments thereon shall be in the same manner as in the cases over which such court has jurisdiction under paragraph 20 of section 24 of the Judicial Code, as amended."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason."

H. T. CAMPBELL AND E. O. O'NEAL

The Clerk called the next bill, H. R. 1207, for the relief of H. T. Campbell and E. O. O'Neal.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000 to H. T. Campbell, father of Marshall Campbell, and the sum of \$10,000 to E. O. O'Neal, father of Raymond O'Neal, said Marshall Campbell and Raymond O'Neal having died of injuries received as a result of a collision with a United States Civilian Conservation Corps truck on August 30, 1935.

With the following committee amendments:

Strike out all after the enacting clause and insert:

"That jurisdiction is hereby conferred upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of the estate of Marshall Campbell, and the estate of Raymond O'Neal, of Greene County, Ga., for damages resulting from the deaths of said Marshall Campbell and Raymond O'Neal by reason of an automobile collision involving a Civilian Conservation Corps truck on August 30, 1935, on the highway between Greensboro and Union Point, Ga.: *Provided*, That the judgment, if any, shall not exceed, in the case of the estate of Marshall Campbell, \$5,000; and in the case of the estate of Raymond O'Neal, \$5,000.

"Sec. 2. Suit upon such claims may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph twentieth of section 24 of the Judicial Code, as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended to read as follows: "A bill conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal."

LAWRENCE E. THOMAS

The Clerk called the next bill, H. R. 1355, for the relief of Lawrence E. Thomas.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties,

and for other purposes", approved September 7, 1916, the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed by Lawrence E. Thomas for disability from injuries incurred by him in March 1934 while an employee of the Civil Works Administration, and pay him compensation from the date of disability in accordance with the provisions of aforesaid act.

With the following committee amendments:

Page 1, line 9, after the word "Thomas", insert "of Whitman, Mass."; and in line 10, after the word "injuries", insert the word allegedly."

On page 2, beginning in line 1, after the word "Administration", strike out the remainder of line 1 and all of line 2 and insert "in accordance with the act entitled 'An act making an additional appropriation to carry out the purposes of the Federal Emergency Relief Act of 1933, for continuation of the Civil Works program, and for other purposes', approved February 15, 1934: *Provided*, That said claim shall be filed within 6 months after the approval of this act: *Provided further*, That no benefits shall accrue prior to the approval of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM ROMACK

The Clerk called the next bill, H. R. 1734, for the relief of Sam Romack.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$250 to Sam Romack, in full settlement of all claims against the Government of the United States for the loss of his gas boat T-4389, when sunk by the United States Coast Guard patrol boat *Morris*, on or about September 26, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, strike out "the sum of \$250 to Sam Romack" and insert "to Sam Romack, of Seward, Alaska, the sum of \$125."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOLINROSS CHEMICAL CO.

The Clerk called the bill (H. R. 2353) for the relief of the Bolinross Chemical Co.

Mr. COSTELLO and Mr. BARDEN objected, and the bill was recommitted to the Committee on Claims.

DWAIN D. MILES

The Clerk called the bill (H. R. 2358) for the relief of Dwain D. Miles.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dwain D. Miles, of Coolidge, Tex., the sum of \$7,500 for personal injuries sustained by him, resulting in the loss of his left arm, occasioned by the negligent driving and operation of a United States Department of Agriculture truck on a highway near Coolidge, Tex., on August 29, 1935.

With the following committee amendments:

Page 1, line 5, after the word "Treasury", strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Page 1, line 8, strike out "\$7,500" and insert "\$3,500, in full satisfaction of his claim against the United States."

Page 1, line 10, after the word "him", strike out "resulting in the loss of his left arm, occasioned by the negligence of driving and operation of" and insert "when the automobile he was driving was struck by."

Page 2, line 2, after the word "truck", insert "operated by an enrollee of the Civilian Conservation Corps."

Page 2, line 4, strike out the period, insert a colon and the following: "*Provided*, That no part of the amount appropriated



In this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOHN N. BROOKS

The Clerk called the bill (H. R. 2740) for the relief of John N. Brooks.

The SPEAKER pro tempore (Mr. O'CONNOR of New York). Is there objection?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement of all claims against the United States, the sum of \$2,500 to John N. Brooks, of Cincinnati, Ohio, which sum was paid by him April 14, 1925, to the United States by reason of the forfeiture of the bail bond of Frank Overturf, the case against whom was afterward nolle: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 10, strike out the words "afterward nolle" and insert "subsequently dismissed because of his absence for 7 years."

The amendment was agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CLIFFORD L. BOHN

The Clerk called the bill (H. R. 3192) for the relief of Clifford L. Bohn.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clifford L. Bohn, of Traverse City, Mich., the sum of \$7,500 in settlement of all claims against the United States for damages to him caused by injuries sustained when he slipped and fell on the ice-covered steps of the Traverse City, Mich., post office and thereby fractured his spine.

With the following committee amendments:

Page 1, line 5, strike out "Bohn" and insert "Bonn."

Page 1, line 6, strike out "\$7,500 in" and insert "\$4,000 in full."

Page 1, line 10, strike out "and thereby fractured his spine" and insert "on November 30, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "A bill for the relief of Clifford L. Bonn."

W. H. LENNEVILLE

The Clerk called the bill (H. R. 3745) for the relief of W. H. Lenneville.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Postmaster General be, and he is hereby, authorized and directed to credit the accounts of W. H.

Lenneville, postmaster at Dickinson, N. Dak., in the sum of \$504.90 on account of the loss of postal, Treasury, savings, money-order, war-revenue, and other funds resulting from the failure of banks in Dickinson, N. Dak.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the postal-savings account of W. H. Lenneville, postmaster at Dickinson, N. Dak., in the sum of \$504.90, on account of the loss of postal savings funds resulting from the failure of the Dakota National Bank of Dickinson, Dickinson, N. Dak., prior to April 1, 1924."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

H. A. MONTGOMERY

The Clerk called the bill (H. R. 4257) for the relief of H. A. Montgomery.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to H. A. Montgomery the sum of \$873.45 in full settlement of all claims against the United States because of the loss of personal effects as the result of a fire in the apartment quarters 8F at Grand Canyon National Park, Ariz., September 1, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 6, after the word "Montgomery", insert "of Oakland, Calif.", and strike out "\$873.45" and insert "\$600."

Page 1, line 10, after the figures "1935", insert "which fire occurred through the defective condition of said building."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

C. J. MURRILL

The Clerk called the bill (H. R. 4260) for the relief of C. J. Murrill.

Mr. COSTELLO and Mr. BARDEN objected, and the bill was recommitted to the Committee on Claims.

WILLIAM SPERRY

The Clerk called the bill (H. R. 4378) for the relief of William Sperry.

Mr. DONDERO and Mr. HALLECK objected, and the bill was recommitted to the Committee on Claims.

LAKE SPENCE

The Clerk called the bill (H. R. 4526) for the relief of Lake Spence.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lake Spence, the sum of \$15,000, the payment of such sum to be in full settlement of all claims against the United States for damages sustained by the said Lake Spence, on account of permanent personal injuries suffered by him when the automobile which he was driving was struck on October 10, 1936, at Rift, W. Va., by a truck in the service of the Civilian Conservation Corps.

With the following committee amendments:

Page 1, line 5, after the word "Treasury", strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Page 1, line 7, after the word "Spence", insert "of Berwind, W. Va."

Page 1, line 8, strike out "\$15,000, the payment of such sum to be" and insert "\$5,000."

Page 2, line 3, strike out the period, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered



to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MRS. E. V. COCKERHAN

The Clerk called the bill (H. R. 4527) for the relief of Mrs. E. V. Cockerhan, mother and natural guardian of Luther Jennings Workman.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000 to Mrs. E. V. Cockerhan, mother and natural guardian of Luther Jennings Workman, of Red Jacket, W. Va., in full settlement of all claims against the Government of the United States for personal injuries suffered by him on January 11, 1936, when he suffered burns from the explosion of gasoline in a fire left by employees of the Works Progress Administration at Red Jacket, W. Va.

With the following committee amendments:

Page 1, line 5, strike out "\$10,000" and insert "\$2,500."

Page 1, line 6, strike out "Mrs. E. V. Cockerhan, mother and natural guardian" and insert "the legal guardian."

Page 1, line 8, after the word "Workman", insert "a minor."

Page 1, line 11, strike out "suffered burns from" and insert "was burned by."

Page 2, line 2, strike out the period, insert a colon and the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill for the relief of Luther Jennings Workman, a minor."

HENRY CLAY GIBSON

The Clerk called the next bill, H. R. 4622, for the relief of Henry Clay Gibson.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Henry Clay Gibson the sum of \$191.25, in payment of cost unnecessarily incurred by United States in the case and on appeal from judgment of district court of United States in favor of Henry Clay Gibson, which appeal was dismissed by United States for lack of merit, and said cost wrongfully and unlawfully charged and deducted from the judgment in favor of said Henry Clay Gibson.

With the following committee amendments:

Page 1, line 5, after the word "to", to strike out the remainder of line 5 and all down to and including line 11 on page 1; page 2, line 1, after the word "Gibson", insert the following: "of Delhi, La., the sum of \$186.25, in full satisfaction of his claim against the United States for costs wrongfully assessed against him as the result of an appeal taken by the United States from a judgment of the United States District Court for the Western District of Louisiana in favor of said Henry Clay Gibson, which appeal was later withdrawn by the United States for lack of merit: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL H. NORBOE

The Clerk called the next bill, H. R. 4875, for the relief of Paul H. Norboe.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the United States Treasury not otherwise appropriated, the sum of \$2,500 being 25 percent of the amount recovered from the forfeiture of bail bonds in the case of *The United States of America v. Mon Kee Lee, Lim Bok Young, Liu Sang, and Liung Sui Chun* in the United States District Court for the Northern District of California, to Paul H. Norboe for original information furnished by him on November 9, 1934, to customs officers concerning a violation of the customs laws which resulted in the seizure of 2 pounds of morphine and the conviction of the above-named defendants: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, strike out "United States."

Page 1, line 5, after the word "appropriated", insert "to Paul H. Norboe, of San Rafael, Calif."

Page 1, line 7, strike out the word "being" and insert "in full satisfaction of his claim against the United States for an award to him by the United States District Court for the Northern District of California as."

Page 2, line 3, strike out the words "to Paul H. Norboe."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### COMMITTEE ON THE JUDICIARY

Mr. CHAMPION. Mr. Speaker, at the direction of the Committee on the Judiciary, I ask unanimous consent that that committee may be permitted to sit during the session of the House for the balance of the day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

#### PRIVATE CALENDAR

LUDWIG BAHNWEG

The Clerk called the next bill on the Private Calendar, H. R. 5144, for the relief of Ludwig Bahnweg.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ludwig Bahnweg the sum of \$500. Such sum represents reimbursement for the loss sustained by the said Ludwig Bahnweg on account of the forfeiture to the United States of a \$500 Liberty Loan bond deposited by him to secure the appearance of Elizabeth Wilhelm or Kuhn in proceedings for her deportation. The said Ludwig Bahnweg in June 1931 warned the immigration authorities that unless provision was made for her immediate deportation such alien would disappear and not be available for deportation at a future date, but the Government did not take her into custody at that time. When the said Ludwig Bahnweg was called upon to surrender such alien he could not locate her within the time allowed him, but she was subsequently apprehended and deported.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ludwig Bahnweg, of New York City, the sum of \$500, in full satisfaction of his claim against the United States for the value of a Liberty bond in that amount deposited by him to secure the appearance of an alien, Elizabeth Wilhelm, on June 3, 1931, and forfeited to the United States Treasury March 3, 1932, after her failure to appear, although said alien had been apprehended with the efforts of Ludwig Bahnweg, and deported on February 26, 1932: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person



violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ETHEL B. LORD

The Clerk called the next bill, H. R. 5168, for the relief of Ethel B. Lord.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Ethel B. Lord, of Bibb County, Ga., the sum of \$10,000 in full settlement of all claims against the United States for the injury of said Ethel B. Lord, who was injured by the explosion of an old hand grenade at the former site of Camp Wheeler, near Macon, Ga., on November 23, 1935: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, after the word "Lord", insert "a minor."

Page 1, line 6, strike out "\$10,000", and insert "\$5,000."

Page 1, line 8, after the word "for", strike out "the injury of said Ethel B. Lord, who was injured by" and insert "personal injuries sustained by her as the result of."

Page 1, line 11, after the figures, insert "part of which site is now occupied as the home of her family."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "A bill for the relief of Ethel B. Lord, a minor."

CARSON BRADFORD

The Clerk called the next bill, H. R. 5229, for the relief of Carson Bradford.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Carson Bradford, of Miami, Dade County, Fla., the sum of \$3,500 to compensate said Carson Bradford for damage done to his house and property, located at Lake Weir, Marion County, Fla., on or about January 16, 1935, by agents of the Federal Bureau of Investigation of the Department of Justice in line of duty: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 6, strike out "\$3,500, to compensate said Carson Bradford" and insert "\$2,500, in full settlement of all claims against the United States"; page 1, line 10, after the word "on", strike out "or about January 16, 1935" and insert "January 15, 1935"; page 2, line 1, strike out "line of duty" and insert "apprehending certain fugitives from justice."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARION MALIK

The Clerk called the next bill, H. R. 5622, for the relief of Marion Malik.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marion Malik, Minneapolis, Minn., the sum of \$5,000. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said Marion Malik as the result of being struck and seriously injured by a truck owned by the United States Coast and Geodetic Survey of the Department of Commerce in Minneapolis, Minn., on October 23, 1934: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$5,000.

With the following committee amendments:

Page 1, line 5, strike out the word "Marion" and insert "Marion."

Page 1, line 6, strike out "\$5,000" and insert "\$2,000."

Page 1, line 8, after the word "by", strike out "the said Marion Malik" and insert "her".

Page 1, line 9, strike out the word "seriously."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "A bill for the relief of Marian Malik."

WILLIAM SULLIVAN

The Clerk called the next bill, H. R. 6010, for the relief of William Sullivan.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Sullivan, the sum of \$5,000 in full settlement of all claims against the Government of the United States for personal injuries received by him on April 23, 1936, resulting from being struck by a bullet from a revolver in the hands of a postal employee at the Babylon, Long Island, N. Y., post office, said injuries to William Sullivan resulting from the accidental discharge of said firearm while being cleaned as part of the routine of official business by said postal employee.

With the following committee amendments:

Page 1, line 5, after the word "Sullivan", insert "of West Islip, Long Island, N. Y."

Page 1, line 6, strike out "\$5,000" and insert "\$3,500."

Page 2, after line 3, insert a colon and the following: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. W. ROSS

The Clerk called the next bill, H. R. 6574, for the relief of E. W. Ross.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to E. W. Ross, in full settlement of all his claims against the Government of the United States for injuries received by him on the 12th day of January 1934 when an automobile, being driven by him in a lawful manner, was run into by a truck owned by the Government of the United States, then and there being operated by Albert A. Potts, a member of the Civilian Conservation Corps, in a negligent and reckless manner: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per-



cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, strike out the words "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Page 1, line 5, also, strike out the figures "\$5,000" and insert in lieu thereof "\$3,000."

Page 1, line 6, after the name "Ross", insert the words "of San Diego, Calif."

Page 1, line 10, after the word "truck", strike out all of the bill through the word "manner", on page 2, line 1, and insert the following: "operated in connection with the Civilian Conservation Corps, at the intersection of Fairmount Street and Broadway, San Diego, Calif."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE E. SHOCKLEY

The Clerk called the next bill, S. 171, for the relief of George E. Shockley.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George E. Shockley, the sum of \$323, in full settlement of all claims against the Government occasioned by the cancellation of a contract entered into between the said George E. Shockley and the United States Coast Guard Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, after the name "Shockley", insert the words "of Rehoboth Del.,"

Page 1, line 7, after the word "Government", insert "for losses."

Page 1, line 9, strike out the word "Service" and insert the words "for repairs and additions to the lifeboat house and launchway at Lewes (Del.) Coast Guard Station."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SHEEHY DRILLING CO.

The Clerk called the next bill, S. 630, for the relief of the Sheehy Drilling Co.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Sheehy Drilling Co., of Casper, Wyo., out of any money in the Treasury not otherwise appropriated, the sum of \$660, said sum to be in full settlement of any and all claims against the Government for the balance due said Sheehy Drilling Co. for completing performance of Department of the Interior (United States Geological Survey) contract no. 1-ga-2423, dated October 5, 1933, for plugging and abandonment of the Zola Oil Co. well no. 1, located on the southeast northwest section 25, township 27 north, range 93 west sixth principal meridian, Crook's Creek Area, in Fremont County, Wyo., on canceled oil and gas prospecting permit, Cheyenne 029569: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCILLE M'CLURE

The Clerk called the next bill, S. 707, for the relief of Lucille McClure.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money

in the Treasury not otherwise appropriated, to Lucille McClure the sum of \$3,600, compensation as the widow of former Deputy Administrator of Prohibition H. S. McClure, of Spokane, Wash., whose death on January 15, 1929, was caused by injuries sustained while in the Government service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert in lieu thereof the following:

"That the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider the claim of Lucille McClure, of Spokane, Wash., widow of a former deputy administrator of prohibition, H. S. McClure, whose death occurred on January 15, 1929, allegedly as a result of injuries sustained by him while in the performance of his duties, under the provisions of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, except that the limitations of time in sections 15 to 20 thereof, both inclusive, are hereby waived: *Provided*, That claim hereunder shall be filed within 6 months from the date of the approval of this act: *Provided further*, That no benefits shall accrue prior to the approval of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES T. MILLER HOSPITAL, INC., ET AL.

The Clerk called the next bill, S. 767, for the relief of the Charles T. Miller Hospital, Inc., at St. Paul, Minn.; Dr. Edgar T. Herrmann; Ruth Kehoe, nurse, and Catherine Foley, nurse.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Navy be, and he is hereby, authorized and directed to pay out of the naval hospital fund to the Charles T. Miller Hospital, Inc., at St. Paul, Minn., the sum of \$135.45; to Dr. Edgar T. Herrmann, the sum of \$117; to Ruth Kehoe, nurse, the sum of \$9; and to Catherine Foley, nurse, the sum of \$4; in all, \$265.45, in full settlement of all claims against the Government of the United States for services and professional treatment rendered Leonard James Graves, storekeeper, second class (F-1), United States Naval Reserve, while ill with diabetic acidosis during the period from August 17, 1935, to September 7, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM SPERRY

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to return to Calendar No. 459, H. R. 4378, for the relief of William Sperry.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk called the bill (H. R. 4378) for the relief of William Sperry.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$3,000 to William Sperry, Newport, Wash. Payment of such sum should be in full settlement of all claims against the United States for damages sustained by the said William Sperry on account of the loss of his son, Clifford Sperry, who was struck and killed on May 27, 1934, at Newport, Wash., by a Forest Service truck driven



by an enrollee of the Civilian Conservation Corps stationed at Silvernite, Mont.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act, in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, strike out "not otherwise appropriated, the sum of \$3,000", and insert in lieu thereof "allocated by the President for the maintenance and operation of the Civilian Conservation Corps, the sum of \$5,000."

Mr. DONDERO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Page 1, line 7, strike out "\$5,000" and insert in lieu thereof "\$4,000."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: In lines 8 and 9, strike out "Washington. Payment of such sum should be" and insert in lieu thereof "Washington."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELLEN TAYLOR

The Clerk called the next bill, S. 828, for the relief of Ellen Taylor.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ellen Taylor, the sum of \$2,626 in full and final settlement of any and all claims against the United States for injuries sustained when the automobile in which she was a passenger was struck by a National Capital Parks truck at the intersection of Twentieth and Otis Streets NE., Washington, D. C., on September 15, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, after the word "Taylor", insert "of Richmond, Va."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALEXANDER E. KOVNER

The Clerk called the next bill, S. 1048, for the relief of Alexander E. Kovner.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alexander E. Kovner, of Seattle, Wash., the sum of \$5,000, in full settlement of all claims against the United States for cost of hospital and medical care, pain and suffering, and permanent disability, resulting from the said Alexander E. Kovner being struck by a truck belonging to the Third Brigade of the United States Marines, in the city of Tientsin, China, on May 14, 1928, such accident being primarily due to the negligence of the driver of the said truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10

percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 6, strike out "Seattle, Wash.", and insert in lieu thereof "San Francisco, Calif."

Page 2, line 1, strike out "primarily."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES H. SMITH

The Clerk called the next bill, S. 1257, for the relief of James H. Smith.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James H. Smith, formerly employed as laboratorian in roentgenology by the United States Veterans' Bureau, the sum of \$5,000 in full settlement of all claims against the Government for injuries received by him as a result of X-ray burns sustained by him in August 1922 and March 1923 while employed at the United States Veterans' hospital at Dwight, Ill., and at the United States Veterans' Bureau regional office at Lexington, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

After line 5, insert "of Washington, D. C."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GOLDENBERG FURNITURE CO.

The Clerk called the next bill, S. 1849, for the relief of the Goldenberg Furniture Co.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Goldenberg Furniture Co., Parkersburg, W. Va., the sum of \$115.25. Such sum represents the value of certain materials and equipment (plus the cost of labor on a portion thereof) furnished the district engineer, fourth district, Works Progress Administration, Parkersburg, W. Va., by the said Goldenberg Furniture Co. The claim of such company for the payment of such sum was disallowed by the Acting Comptroller General of the United States on the ground that such materials and equipment were delivered and labor thereon performed upon the verbal order of an employee of the Works Progress Administration who was not authorized to act as a purchasing or contracting officer for the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

In line 7, strike out "represents" and insert "shall be in full satisfaction of its claim against the United States for."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HALLE D. McCULLOUGH

The Clerk called the next bill, S. 1934, for the relief of Halle D. McCullough.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow



credit in the accounts of Halle D. McCullough, as superintendent and special disbursing agent of Fort Berthold Indian Agency, Elbowoods, N. Dak., for expenditures of \$283.61 and \$107.06 made during the month of June 1933 from the fund "Indian moneys, proceeds of labor, Fort Berthold Agency."

With the following committee amendment:

Page 1, line 10, add the following: "Which sums have been disallowed by the General Accounting Office for lack of accounting evidence to substantiate the propriety of the expenditures."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN A. ENSOR

The Clerk called the next bill, S. 2266, for the relief of John A. Ensor.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John A. Ensor, of Sparks, Md., the sum of \$25. The payment of such sum shall be in full settlement of all claims against the United States on account of the slaughter, prior to its registration as a purebred, of one diseased cow owned by the said John A. Ensor: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 10, after the word "Ensor", insert "and in furtherance of the Bureau of Animal Industry's project for the elimination of Bang's disease."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM K. RICHARDSON

The Clerk called Senate Joint Resolution 30, for the relief of William K. Richardson.

There being no objection, the Clerk read the resolution, as follows:

Whereas William King Richardson invented a new form for a projectile for use in present constructed guns, consisting of three salient features, to wit, a long point, a relatively reduced cylinder length, and a beveled base now known as the streamline shell; and

Whereas this invention was submitted to the United States War and Navy Departments by said Richardson in 1914 as a secret invention, and later application for Letters Patent was made, and United States Patent No. 1141415 was granted to said Richardson on June 1, 1915, and later adjudicated by the Court of Claims as a valid patent; and

Whereas the United States Army used many millions of said streamline shells in the war against Germany and Austria, and there were no streamline shells for cannon used in the aforesaid war until after the issue of the Richardson patent; and

Whereas the streamline shell greatly increased the range and preserved accuracy of our guns, and the patent disclosed a great discovery in the science of streamline of a body, and for the first time in science gave the correct velocity flow of air to an instantly created vacuum, making it possible to mathematically express as demonstrated in the patent the pressure at the point and base of a projectile due to form and velocity; and

Whereas in suit no. A-200, brought by said Richardson against the United States in the Court of Claims for use of his invention during the Great War, a judgment was rendered December 1, 1930, "that the patent is valid and not infringed"; and

Whereas noninfringement was established by imposing exact dimensions on the elements of the claim; and

Whereas the court rendered a dual opinion on special finding of fact XI of said judgment; and

Whereas the court ignored competent testimony in the case; and

Whereas motion for a new trial was made by plaintiff, and this motion was overruled on November 2, 1931, whereupon petition in the Supreme Court for writ of certiorari was made and denied March 17, 1932, without review; and

Whereas the Senate, by Senate Resolution 119, remanded the claim of W. K. Richardson to the United States Court of Claims under section 151 of the Judicial Code, with complete authority

to hear and consider questions of law and fact complained of in the motion for a new trial made January 28, 1931; and

Whereas the Court of Claims of the United States, by its decision of November 4, 1935, dismissed claimant's petition filed pursuant to said Senate Resolution 119 for want of jurisdiction because, judgment having been entered by the court in Richardson's suit no. A-200, the claim referred to the court by the Senate under section 151 of the Judicial Code was res adjudicata; and, further, because the jurisdiction of the court in this case could be invoked only by an act of Congress or by a joint resolution of the Senate and the House of Representatives; and

Whereas the judgment rendered December 1, 1930, in said case shows a dual opinion on special finding of fact XI, and that dual opinion is a negation of the court's judgment "that the patent is valid"; and

Whereas special finding of fact XI holds the invention is novel, and special finding of fact VI indicates great merit of the invention and new and desired results in ordnance, and the court admits the invention "possessed advantages", and that claim 3 of the patent reads in terminology upon the structure of a 155-millimeter shell; and

Whereas the court imposed the exact dimensions of the shell (12-inch) used by Richardson merely to illustrate his invention in his patent, on the elements of the claim, contrary to the terminology of said claim, and on such unsound facts hold the claim not infringed: Therefore be it

*Resolved, etc.,* That the case of W. K. Richardson, A-200, be remanded to the Court of Claims on matters set forth in this resolution to consider and render judgment in accordance to law and equity, on the evidence used and testimony taken and findings of facts in case A-200, and Congress waives the statute of limitation, rules of practice of the Court of Claims, previous action of the Court of Claims, or any provision of law to the contrary notwithstanding, under the stipulation and agreement that the amount for which suit was originally brought be reduced to 3 percent of that amount, and if payment is made to be a settlement in full for use of the invention by the United States Government during the life of patent 1141415, and that said case shall be advanced on the docket and promptly placed on the trial calendar.

With the following committee amendment:

Page 4, line 5, strike out the word "law" and insert "section 179 of the Judicial Code."

The committee amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDITH JORDAN

The Clerk called the next bill, H. R. 6059, for the relief of Edith Jordan.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edith Jordan, the sum of \$5,000. Such sum shall be in full satisfaction of all claims against the United States for damages resulting from serious injury of the said Edith Jordan who, on September 16, 1933, suffered serious injuries while walking across a railroad spur crossing owned or controlled by the Panama Railroad Co., in the city of Gatun, Canal Zone: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, after the word "Jordan", insert "of Gatun, Canal Zone."

Page 1, line 6, strike out "\$5,000" and insert "\$2,500."

Page 1, line 8, after the word "from", strike out "serious injury of the said Edith Jordan who" and insert "injuries sustained by her."

Page 1, line 10, strike out "suffered serious injuries."

Page 2, line 1, strike out "railroad company" and insert "canal."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUSSELL J. VAUGHAN

The Clerk called the next bill, H. R. 1729, for the relief of Russell J. Vaughan.



The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Russell J. Vaughan, of Shiprock, N. Mex., the sum of \$980.84. Such sum shall be in full settlement of all claims against the United States for pay withheld from said Vaughan, and shall represent reimbursement for suspension from duty and pay status for a period from October 18, 1933, to April 19, 1934, inclusive.

With the following committee amendment:

Page 1, line 11 after the word "inclusive" insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHAIM (HYMAN) KAPLAN

The Clerk called the next bill, S. 1265, for the relief of Chaim (Hyman) Kaplan.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

ETTORE CORDOVADO

The Clerk called the next bill, H. R. 3746, for the relief of Ettore Cordovado.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

CECILE C. CAMERON

The Clerk called the next bill, H. R. 7387, for the relief of Cecile C. Cameron.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Cecile C. Cameron, widow of Alfred D. Cameron, late an American Foreign Service officer assigned as American consul at London, England, the sum of \$4,400, equal to 1 year's salary of her deceased husband, who died of illness incurred while at his post of duty in the Consular Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH PELLON

The Clerk called the next bill, H. R. 5565, to authorize the cancellation of deportation proceedings in the case of Joseph Pellon.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

AGATHA YAKAVONIS (NEE AGATHA MILAUSKAS)

The Clerk called the next bill, H. R. 1474, for the relief of Agatha Milauskas Yakavonis (nee Agatha Milauskas).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

MRS. ZEBIA SHARGABIAN

The Clerk called the next bill, S. 779, for the relief of Mrs. Zebia Shargabian.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

FRANCESCA INCARDONE IACONA

The Clerk called the next bill, H. R. 518, for the relief of Francesca Incardone Iacona.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Francesca Incardone Iacona the sum of \$1,000, being the amount of a bond deposited with the United States Immigration Service guaranteeing the departure of Francesca and Cologero Incardone and later forfeited because of their failure to leave the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert:  
"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, jointly to Rosolino Zamito and Maria Zamito, of Buffalo, N. Y., the sum of \$1,000, in full satisfaction of their claims against the United States for the value of two bonds deposited by the National Surety Co., in January 1921, with claimants as indemnitors, to secure the deportation of Francesca and Cologero Incardone, after a decision by immigration officials that they were not entitled to entry in the United States; and forfeited on August 11, 1922, when the said Cologero and Francesca Incardone failed to depart from the United States, although, by subsequent decision of the Labor Department, the said Incardones were entitled to admission in December 1920, when they returned to the United States from a temporary absence abroad: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of Rosolino Zamito and Maria Zamito."

JOHN VOORHEES

The Clerk called the next bill, H. R. 615, granting compensation to John Voorhees.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to John Voorhees, of Fonda, N. Y., in full settlement of all claims against the Government of the United States for injuries sustained on July 2, 1935, at Fonda, N. Y., by Margaret Voorhees, minor daughter of the said John Voorhees, as the result of the explosion of a torpedo firecracker thrown by a member of Company H, Sixty-sixth Regiment United States Infantry.

With the following committee amendments:

Page 1, line 6, strike out "John Voorhees" and insert "the legal guardian of Margaret Voorhees, a minor."

Line 10, strike out "minor daughter of the said John Voorhees." Page 2, line 2, after the word "Infantry", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.



## DOROTHY KRICK

The Clerk called the next bill, H. R. 1241, for the relief of Dorothy Krick.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dorothy Krick, of Galice, Oreg., the sum of \$21,500 in full satisfaction of her claim against the United States for damages for personal injuries suffered on December 9, 1933, in Josephine County, Oreg., on Merlin-Alameda Market Road, about 6.3 miles west of Grants Pass, Oreg., when the automobile in which said Dorothy Krick was riding was struck by a motor truck owned by the United States and driven by Oliver Whitmeyer, an employee of the Civilian Conservation Corps.

With the following committee amendments:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Dorothy Krick, of Galice, Oreg., the sum of \$8,399.50; to Ernest Krick, of Galice, Oreg., the sum of \$1,743; and to May Elizabeth Ferren, administratrix of the estate of James Albert Ferren, deceased, late of Galice, Oreg., the sum of \$5,250; in all, \$15,392.50, in full settlement of their claims against the United States for damages as a result of personal injuries sustained by Dorothy and Ernest Krick, and the death of James Albert Ferren, and for property damage, when the automobile in which they were riding was struck by a truck operated in connection with the Civilian Conservation Corps, on December 9, 1933, on the Merlin-Alameda Market Road, near Grants Pass, Josephine County, Oreg.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended.

## J. ROY WORKMAN

The Clerk called the next bill, H. R. 1869, for the relief of J. Roy Workman.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to J. Roy Workman, of Clinton, S. C., out of any money in the Treasury not otherwise appropriated, the sum of \$1,000 in full payment of all claims of the said J. Roy Workman for personal injuries received near Clinton, S. C., on the 4th day of December 1935, when struck by a truck, alleged to have been operated by the Works Progress Administration and being driven by one Frank Curry, an employee of the said Works Progress Administration.

With the following committee amendments:

Strike out all after the enacting clause and insert the following: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. Roy Workman, of Clinton, S. C., the sum of \$1,000; to Adelaide W. Workman, of the same city, the sum of \$1,000; and to the legal guardian of J. Roy Workman, Jr., of the same city, the sum of \$1,500. Said sums to be in full settlement of all claims against the United States for expenses incurred and injuries received when the car in which they were riding was struck by a truck in the use of the Works Progress Administration on December 4, 1935, near Clinton, S. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended.

## ROBERTA CARR

The Clerk called the next bill, H. R. 2191, for the relief of Roberta Carr.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Roberta Carr, of Tazewell, Tenn., the sum of \$7,180.45. Such sum shall be in full settlement of all claims against the United States for damages caused by reason of the killing of her husband by a Government truck in the service of a Civilian Conservation Corps camp.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Roberta Carr, of Sandlick, Claiborne County, Tenn., the sum of \$7,090.23 in full satisfaction of her claim against the United States for a judgment in that amount, plus one-half the costs, obtained against an enrollee of the Civilian Conservation Corps in the Circuit Court for Claiborne County, Tenn., as a result of a collision between a truck operated by said enrollee for the Civilian Conservation Corps and an automobile driven by her husband, Swan Carr, on Highway No. 25-E, between Tazewell and Cumberland Gap, Tenn., on April 27, 1935, which collision caused the death of said Swan Carr: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. Costello: Page 2, line 5, after the words "the sum of", strike out "\$7,090.23" and insert in lieu thereof "\$5,000."

Strike out all of lines 7, 8, and 9, and in line 10 strike out the word "said" and insert the word "an."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## ORBA CARESS

The Clerk called the next bill, H. R. 2339, for the relief of Orba Caress.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Orba Caress, the sum of \$375 in full settlement of all claims against the United States for losses incurred in preparing, by the purchase of equipment and otherwise, to perform service under the contract awarded him for carrying the mail on star route no. 53992, Woodward to Forgan, Okla., for a period of 30 days, with a view to award a regular contract at the expiration of 30 days, the award of such contracts having been revoked before any service was performed thereunder: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, after the word "Caress", insert "of Woodward, Okla."

Line 6, strike out "\$375" and insert "\$196."

Line 8, after the word "preparing", insert "in November 1935."

Line 9, after the word "contract", insert "to be."

Page 2, line 1, after the word "days", strike out the remainder of line 1 and all of line 2 and insert "the award of such contract."

The committee amendments were agreed to.



The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE O. CLAYPOOL

The Clerk called the next bill, H. R. 3503, for the relief of George O. Claypool.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the United States Employees' Compensation Commission be, and is hereby, authorized to consider and determine, in the same manner and to the same extent as if application for benefits of the Employees' Compensation Act had been made within the 1-year period required by sections 17 and 20 thereof, the claim of George O. Claypool, on account of disability due to tuberculosis alleged to have been contracted by reason of exposure to patients while on duty during his employment, in the service of the United States, at the Veterans' Administration facility, Chillicothe, Ohio, between April 1925 and March 1926: *Provided,* That no benefits shall accrue prior to the enactment of this act.

With the following committee amendments:

Page 1, strike out lines 5 to 8, inclusive, and insert the following: "notwithstanding the limitations of time in sections 15 to 20, both inclusive, of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, the claim of George O. Claypool, of Chillicothe, Ohio."

After line 9, insert a colon and the words "*Provided further,* That claim hereunder shall be filed within 6 months after the enactment of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COL. C. J. BARTLETT

The Clerk called the next bill, H. R. 3987, for the relief of the estate of Col. C. J. Bartlett, United States Army.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. C. J. Bartlett, of San Francisco, Calif., administratrix of the estate of Col. C. J. Bartlett, Medical Corps, United States Army, the sum of \$600. The payment of such sum shall be in full settlement of all claims against the United States for the loss sustained by the said Col. C. J. Bartlett on account of damage to his personal property incident to its shipment from San Francisco, Calif., to Fort Slocum, N. Y., and its reshipment to San Francisco, Calif., during the year 1934. Such shipment and reshipment were occasioned by the transfer, by order of the Department of War, of the said Col. C. J. Bartlett from the Presidio of San Francisco to Fort Slocum, N. Y., and his subsequent return, by order of the Department of War, to his home in San Francisco to await retirement.

With the following committee amendments:

Page 1, line 8, strike out "\$600" and insert "\$293."

Page 2, after line 10, insert a colon and the following: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE R. BROWN

The Clerk called the next bill, H. R. 4156, for the relief of George R. Brown.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George R. Brown, a former second lieutenant in the National Guard in the service of the United States, the sum of \$698.90 in full settlement of all claims against the Government of the United States for pay from the date of his alleged discharge and last receipt of pay, August 9, 1917, to the alleged date of the receipt of notification of his discharge on January 7, 1918: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof

shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLOTTE SWEENEY AND HOWARD SWEENEY

The Clerk called the next bill, H. R. 4936, for the relief of the legal guardian of Charlotte Sweeney and Howard Sweeney.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,000 to the legal guardian of Charlotte Sweeney and Howard Sweeney in full settlement of all claims against the United States for personal injuries sustained by them as a result of a collision between the car in which they were riding, belonging to William Hintz, and a Coast Guard truck, said collision occurring on July 16, 1936, at Curtis Bay, Md.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, after the word "appropriated", strike out the remainder of the line and down to and including all of line 8 and insert "to the legal guardian of Charlotte Sweeney, a minor, of Baltimore, Md., the sum of \$750; to the legal guardian of Howard Sweeney, a minor, of Baltimore, Md., the sum of \$750; to William Hintz, of Baltimore, Md., the sum of \$1,675; and to Martha Hintz, of Baltimore, Md., the sum of \$1,500; in all, \$4,675, in full settlement of their claims against the United States for personal injuries and property damage."

Page 2, line 6, strike out the word "Hintz" and insert the word "Hintz."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of Charlotte Sweeney, a minor, Howard Sweeney, a minor, William Hintz, and Martha Hintz."

JOHN P. RYAN

The Clerk called the next bill, H. R. 5158, for the relief of John P. Ryan.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of \$10,643 to John P. Ryan as compensation for personal injuries, and medical attention therefor, received through being struck by a United States Navy automobile which was negligently driven by an enlisted man of the United States Navy.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John P. Ryan, of Worcester, Mass., the sum of \$2,115, in full settlement of his claim against the United States for personal injuries sustained when he was struck by a United States Navy truck, on August 12, 1931, at the intersection of Ninth Avenue and Pike Street, Seattle, Wash.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.



THOMAS H. McLAIN

The Clerk called the next bill, H. R. 5703, for the relief of Thomas H. McLain.

There being no objection, the Clerk read the bill, as follows.

*Be it enacted, etc.,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to Thomas H. McLain, who, on November 27, 1924, at Philadelphia, Pa., sustained personal injuries when struck by a motor vehicle then under the control and operation of the United States Post Office Department.

With the following committee amendment:

Strike out all after the enacting clause and insert:  
"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas H. McLain, of Philadelphia, Pa., the sum of \$2,000, in full satisfaction of his claim against the United States for personal injuries sustained when he was struck by a United States mail truck near the intersection of Thirty-sixth and Market Streets, Philadelphia, Pa., on November 27, 1924: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The Committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MILDRED MOORE

The Clerk called the next bill, S. 114, for the relief of Mildred Moore.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mildred Moore, of Chicago, Ill., the sum of \$750 in full satisfaction of her claim against the United States for compensation for bodily injuries suffered by her when the automobile in which she was riding was struck by a United States Army automobile driven by R. H. Pearson at the intersection of Fifty-seventh Street and Drexel Avenue in Chicago, Ill., on February 2, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$750" and insert "\$1,250."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

G. L. TARLTON

The Clerk called the next bill, S. 1143, for the relief of G. L. Tarlton.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to G. L. Tarlton, the sum of \$22,007.34 in full settlement of his claim for increased cost of labor and material incurred in complying on and after August 10, 1933, with the President's Reemployment Agreement and/or the applicable approved code in the performance of his contract with the War Department dated February 15, 1933, for the construction of a lock at lock and dam no. 1, Barren River, Ky., and other work connected therewith: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, after the word "Tarlton", insert "of St. Louis, Mo."; and in line 7, after the word "claim", insert "against the United States."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRAZIER-DAVIS CONSTRUCTION CO.

The Clerk called the next bill, S. 1144, for the relief of the Frazier-Davis Construction Co.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Frazier-Davis Construction Co. the sum of \$25,144.76 in full settlement of the claim of said company for increased cost of labor and material incurred in complying on and after August 10, 1933, with the President's Reemployment Agreement and/or the applicable approved code in the performance of its contract with the War Department dated January 19, 1933, for the construction of lock and dam no. 5, Green River, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 6, after the word "Company", insert "of St. Louis, Mo."; and in line 7, after the word "Company", insert "against the United States."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. E. SAMMONS

The Clerk called the bill (S. 1188) for the relief of J. E. Sammons.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. E. Sammons, of Macon, Ga., the sum of \$161.98 in full satisfaction of his claim against the United States, such sum representing the additional amount due the claimant under a contract for the sale of certain lands to the United States, which contract and the sequent deed of conveyance were based on an erroneous survey of such lands by Government engineers: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 7, after the words "United States", strike out the remainder of the line and all of lines 8, 9, 10, 11, and 12, and insert "for the value of 35.99 acres of land in Putnam County, Ga., at \$4.50 per acre, which he conveyed by deed to the Government, represented by the Resettlement Administration, and for which he was not paid because of an erroneous survey of the tract by the General Land Office in February 1935, describing it as 230.72 acres, whereas it in fact contained 266.72 acres by subsequent survey of June 14, 1935."

The committee amendment was agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JAMES LINCOLN HARTLEY

The Clerk called the bill, S. 557, authorizing the naturalization of James Lincoln Hartley, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That in the administration of the immigration laws James Lincoln Hartley, a native-born citizen of the United States who involuntarily lost his citizenship at the age of 7 years by reason of the naturalization of his father as a citizen of Canada, shall be held and considered to have been legally admitted to the United States for permanent residence.



SEC. 2. Notwithstanding any other provision of law, said James Lincoln Hartley may be naturalized as a citizen of the United States by filing a declaration of intention and taking the oath of allegiance in the manner prescribed in the naturalization laws before any court having jurisdiction of the naturalization of aliens.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOHN GRINWOOD TAYLOR

The Clerk called the bill (H. R. 6468) to authorize the cancellation of deportation proceedings in the case of John Grinwood Taylor.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of Labor is hereby authorized and directed to cancel the outstanding order and warrant of deportation issued pursuant to section 14 of the Immigration Act of 1924 (43 Stat. 153, sec. 214) in the case of John Grinwood Taylor, any provision of existing law to the contrary notwithstanding. From and after the date of the approval of this act, John Grinwood Taylor shall not again be subject to deportation by reason of the same fact upon which the outstanding proceedings rest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CLYDE J. NESSER

The Clerk called the bill (S. 1474) to provide for the advancement on the retired list of the Navy of Clyde J. Nesser, a lieutenant (junior grade), United States Navy, retired.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That from and after the date of enactment of this act, Clyde J. Nesser, lieutenant (junior grade), United States Navy, retired, shall have the rank of a lieutenant on the retired list of the United States Navy.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EMORY M. MCCOOL

The Clerk called the bill (H. R. 6402) for the relief of Emory M. McCool, United States Navy, retired.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That notwithstanding the provisions of section 2 of the act approved May 23, 1930 (46 Stat. 375; U. S. C., title 34, sec. 790), Emory M. McCool, chief machinist's mate, United States Navy, retired, shall be held and considered to have completed 30 years' service, including naval service, time in the Fleet Naval Reserve, and Army service, including double time for service in the Philippines from November 28, 1899, to May 18, 1901, for the purpose of transfer to the retired list of the United States Navy, on May 19, 1929, and the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Emory M. McCool the sum of \$636.30, which sum represents allowances at \$15.75 per month, covering the period from May 19, 1929, to and including September 30, 1932, authorized by existing law (U. S. C., title 34, sec. 431) to be paid to enlisted men upon transfer to the retired list of the Navy upon completion of 30 years' service.

With the following committee amendment:

Page 2, line 4, strike out "\$636.30" and insert "\$636."

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. COSTELLO to the committee amendment: Strike out "\$636" and insert "\$630."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

FRED P. HALBERT

The Clerk called the bill (H. R. 827) for the relief of Fred P. Halbert.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent conveying

all the right, title, and interest of the United States to lot 5, section 16, township 23 north, range 9 west of the Willamette meridian, containing 30.90 acres, more or less, according to the Government survey thereof, in Grays Harbor (formerly Chehalis) County, Wash., to Fred P. Halbert.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. COSTELLO. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER resumed the chair.

FLORIDA O. McLAIN

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2229) for the relief of Florida O. McLain, widow of Calvin E. McLain, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference.

The SPEAKER. The gentleman from Maryland asks unanimous consent to take from the Speaker's table the bill H. R. 2229, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. KENNEDY of Maryland, Mr. COFFEE of Washington, and Mr. CASE of South Dakota.

AMERICAN CONSULAR COURTS, EGYPT

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Foreign Affairs:

*To the Congress of the United States:*

I transmit herewith a copy of an order issued on March 1, 1937, by the Minister of the United States to Egypt, with the assent of the several American consular officers in Egypt, prescribing the fees to be paid in probate cases in the American consular courts in Egypt.

This order has been issued by virtue of authority contained in section 5 of the act of Congress of June 22, 1860 (R. S. 4117, 4118; U. S. C., title 22, secs. 147, 148), and is transmitted to the Congress in compliance with the provisions of section 6 of the said act (R. S. 4119; U. S. C., title 22, sec. 148).

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, July 6, 1937.

[Enclosure: Order.]

UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 258.

The Clerk read as follows:

House Resolution 258

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 363, a joint resolution to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Library, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 30 minutes to the gentleman from New Jersey [Mr. McLEAN].

Mr. Speaker, this is a rule for the consideration of House Joint Resolution 363, reported out of the Committee on the Library, to authorize the appropriation of more funds for the continuance of the so-called Constitutional celebration, the one hundred and fiftieth anniversary of the formation of the Constitution. On the presentation of the matter to the Rules Committee, we felt justified in bringing out this rule, because when the bill was on the Consent Calendar it was objected to.



In the last Congress the Committee on the Library reported out a bill authorizing an appropriation of \$350,000 for this 2-year celebration of this event. When that bill came on the floor it was suggested that we should not make appropriations in advance, but just sufficient money should be appropriated to carry the matter through the current year. With that in mind and following that suggestion, the amount of \$350,000 was reduced to \$200,000, which was intended to and did take care of the matter up to the 30th of June of this year. This celebration is in the future still, and this joint resolution would authorize the appropriation of an additional \$150,000, as originally intended, to carry this celebration through to its conclusion.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. SNELL. The gentleman says the celebration is really in the future. Has the gentleman any definite information so that he can state to the House that this is the concluding appropriation for this celebration?

Mr. O'CONNOR of New York. Of course, I would not want to take that responsibility. I understand that is the intention, and the Rules Committee was so advised.

Mr. SNELL. I appreciate that, but I think it should be definitely stated by somebody that we are going to close down when we appropriate this \$150,000.

Mr. O'CONNOR of New York. The gentleman has had a long and distinguished career in public life.

Mr. SNELL. I thank the gentleman for that courtesy.

Mr. O'CONNOR of New York. I wonder if he ever has experienced the "finale"?

Mr. SNELL. I have experienced finale in some things as far as appropriations are concerned, and some others that I will not mention. [Laughter.] But I do feel it ought to be definitely understood, if we appropriate this other \$150,000, that that is all Congress is going to appropriate for this celebration.

Mr. O'CONNOR of New York. I understand this celebration will run at least up through next June. Of course, I agree that when people interested in legislation say "this is all we want", they ought to abide by it.

Mr. SNELL. I think that statement should be made here today, and the House ought to understand it, because if we appropriate \$350,000, it is a fairly liberal amount to celebrate something that is diminishing at the present time. [Laughter.]

Mr. O'CONNOR of New York. Whatever the "something" is, to which the constitutional statesman refers, I shall now "diminish" my time and opportunity for retort, by yielding to the gentleman from New Jersey [Mr. McLEAN].

Mr. McLEAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I was in the House when this bill was considered on May 4, 1936. I have been here when many of these celebrations were considered. One thing that I admire about the gentleman from New York [Mr. Bloom] is that he is honest. He does not attempt to deceive. Of course, I do not remember this occurrence when the bill was considered a year ago, just as the gentleman from New York [Mr. O'CONNOR] remembers it. My recollection is that the bill was reported for \$350,000; that unanimous consent was asked to get the bill through the House and there was objection made. Shortly afterward and on the same day, the Speaker recognized the gentleman from New York [Mr. Bloom] to pass the bill under suspension of the rules. I have just had called to my attention a little colloquy that occurred at that time, in which the gentleman from New York [Mr. Bloom] and I were engaged:

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. Bloom. Yes.

Mr. MICHENER. This bill was before the House earlier in the afternoon?

Mr. Bloom. Yes.

Mr. MICHENER. The bill had the considered attention of the committee reporting it before it was reported?

Mr. Bloom. Yes.

Mr. MICHENER. The bill as originally introduced provided for an appropriation of \$350,000?

Mr. Bloom. Yes.

Mr. MICHENER. The gentleman tried to get the bill enacted by unanimous consent of the House for \$350,000, with the understanding that that was the absolute minimum amount necessary to do what the gentleman contemplates doing. The House will not agree to that. The gentleman now has reduced the amount by \$150,000, in an hour, and says he can get through with the \$200,000.

Mr. Bloom. Just correct that in regard to that "get through." I did not say that we could get through with \$200,000.

Mr. MICHENER. That is what I am getting at.

Mr. Bloom. Please do not say that I said it.

Mr. MICHENER. Then the gentleman does not contemplate that this is to be the last appropriation. Because he could not get \$350,000 he is coming in now under suspension of the rules and asking for \$200,000, to get the nose of the camel under the tent, and later he will be back asking Congress for the remainder, \$150,000 or possibly \$350,000 more. Is that correct?

Mr. Bloom. If the gentleman wants me to publish all the material in the same way that he asked us for during the Bicentennial celebration—and I believe I convinced the gentleman on the floor at that time when he asked a similar question, that you will only get what you pay for. That is all you are going to get. If you want \$200,000 worth of celebration that is what you will get. If you want a \$350,000 celebration you will get that, and if you do not want to appropriate and you want no celebration, that is what you will get.

That is what happened. It is the old story. The gentleman from New York [Mr. Bloom] is doing good work, if we can afford it now. I harken back to the President's recent message in which he asked the Democratic Congress not to make any authorization for appropriations unless the means of raising the money were provided. Here today we are appropriating \$150,000 additional money to carry on a celebration at a time when we have been quarrelling about cutting relief. I ask you in all candor: Should we cut relief, or should we cut celebrations? Is it more important that we celebrate the adoption of the Constitution, that today we are disregarding in so many particulars, rather than that we give to those people who are supposed to live under the Constitution relief, bread, subsistence?

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Oh, the gentleman is going to ask: Where are you going to get the money? I answer that I do not know.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. RICH. No; I am not going to ask: Where are you going to get the money? I have asked that many times. I am going to say that if ever there was a time in the history of the Nation when we ought to celebrate the adoption of the Constitution of the United States that day is now. We ought to celebrate, we ought to do something to keep it alive, for if things go on as they have been going for another 3 or 4 years we will not have any Constitution, any country, or anything. [Laughter.]

Mr. MICHENER. Mr. Speaker, I do not yield further. In order to make the gentleman's speech natural, I will ask: "Where are you going to get the money?"

There is going on at this good hour in another body a debate that will be of monumental importance, a debate affecting the Constitution. It seems to me that we can ill afford at this particular time to waste the time of this House in determining whether or not we are going to borrow—listen to this—whether or not the United States Government is going to issue its bonds, its notes, its obligations for \$150,000 to continue or elaborate this celebration.

Mr. FORD of California. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I cannot yield; I am sorry.

We all believe in celebrating the adoption of the Constitution, but likewise we believe in doing it in a practical way. What good is this lip service? What good are these pamphlets? What good are these meetings held throughout the country telling us about the Constitution unless we pay some little respect to the Constitution?

So far as the gentleman from New York [Mr. Bloom] is concerned, he generally gets \$1.50 on every dollar he invests. I notice that the bill made in order by the rule carries a provision entirely new in the Congress: That we are setting up here a revolving fund; we have created another commission and are giving them \$150,000 more as a revolving fund. The



gentleman is going to dicker, he is going to try to make a little money out of celebrating the adoption of the Constitution of the United States. So far as I am concerned, I take advantage of the pamphlets he gets out. They are good. One of these little 10-cent arrangements about the Constitution is a splendid thing. Many things are splendid, but can we afford this now? Should we listen to the President? Are we attempting to balance the Budget? Oh, it is the little drops of water and the little grains of sand that count.

You say it is only \$150,000, but it is \$150,000 added to the debt which we already have and on which we must pay interest. Remember, if you pass this bill you are not appropriating any money out of the Treasury; you are authorizing the administration to go out into the market and borrow \$150,000 more and pay interest on it to carry on a celebration. The American people do not want that kind of celebration at this time. Thinking people everywhere would prefer to celebrate an honest effort on the part of Congress to balance the Budget.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

THE BOY SCOUT JAMBOREE

Mr. RANKIN. Mr. Speaker, I have listened with a great deal of interest to the argument of the gentleman from Michigan, and I agree with him that we do not need to celebrate the Constitution so much as we do to have its principles engraved on the hearts of the American people.

I should like to have seen some of this money spent on the celebration that is being held in Washington this week. We are honored by having a convention here that, in my opinion, is the most orderly, the most respectable, and the most inspiring I have witnessed since I have been a Member of the House, and that is the jamboree of the Boy Scouts of America. [Applause.]

They have none of that boisterousness that we see in a convention of the lords of finance; they manifest none of that ruthless destruction of property which we so often observe in the members of other organizations. They are all sober; there is none of that rowdiness that so often disgraces conventions of their elders.

They have none of that disregard for the rights of other people which we sometimes witness on the part of some of our college "round-ups." You do not have to hide the furniture to keep it from being destroyed. They are orderly little gentlemen, and are setting examples that both men and women would do well to follow. They are an inspiration to us all.

They have none of that idolatrous reverence for brass buttons that we sometimes witness in connection with certain organizations which gather here to celebrate the deeds of their ancestors or to tell Congress what to do. They show none of that selfishness which we see permeate other gatherings.

Their jamboree is about the most inspiring spectacle I have ever witnessed. It is refreshing, it is inspiring to see these boys, these young men, the hope of the Nation, the pick and flower of the coming manhood of America, gather here in Washington and give us examples in rectitude of conduct that are bound to thrill the hearts of all right-thinking men. When I look upon them I am reminded of the golden words of Ella Wheeler Wilcox when she said:

Weep not for vanished ages,  
With their great heroic men  
Who live on history's pages or dwell  
In the poet's pen;  
For the grandest times are before us,  
And the world is yet to see  
The noblest worth of this old earth  
In the men that are to be.

[Applause.]

Mr. McLEAN. Mr. Speaker, I yield 5 minutes to the gentleman from New Hampshire [Mr. TOBEY].

Mr. TOBEY. Mr. Speaker, I shall utilize my remarks by interrogating the gentleman from New York [Mr. BLOOM]. I have the greatest interest in the work of this Commission and share with all Members of the House a keen faith in, and love and reverence for the Constitution. But we are

appropriating altogether \$350,000 of the taxpayers money and it would seem to me that the gentleman from New York [Mr. BLOOM] should give us a first-hand dissertation on the A, B, C's of his Commission, how they are functioning, and how they propose spending this \$350,000. I think he can give this information concisely and I will yield him the balance of my time. In his reply I ask that he confirm that no private interest is making a cent out of this project, but that the net income over and above the cost goes into the Federal Treasury.

Mr. BLOOM. Mr. Speaker, I may answer the gentleman's statement by saying if the gentleman had taken the time to visit the Commission's headquarters he could have learned just exactly what the Commission was doing.

I may say this celebration is an educational one. We are trying to teach the people of this country, the young folks as well as the adults, the history of the Constitution. It is surprising the ignorance of the people who speak about the Constitution that they know nothing about the history of it. They are only speaking politically and practically from their own interest and when they do not know anything about it they ridicule. I have heard speeches on this floor and if I wanted to come right back directly to the individual person I could tell them that they were using words that are not to be found in the Constitution.

As far as making money is concerned, if the gentleman will read all or any of the literature, or if the gentleman has bought any of the literature of the Commission he would note that all checks are made payable to the Treasurer of the United States and the money goes into the Treasury of the United States. That is why, as the gentleman from Michigan stated, we must have a revolving fund. We are printing the literature and paying for it. You are asking us to print more literature, but the money goes into the Treasury for that literature which we sell, and unless we can get money to use again in order to print more literature and information about the Constitution we cannot proceed. We cannot touch the money that goes into the Treasury of the United States unless this is made a revolving fund.

Mr. DOWELL. Will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Iowa.

Mr. DOWELL. According to section 9, page 2, of the bill, the amount collected and to be expended is unlimited. Is the amount that the gentleman's Commission may spend dependent on the amount that is taken in by the sale of all literature?

Mr. BLOOM. Yes.

Mr. DOWELL. Or will it all be spent, or may it all be spent by the gentleman's Commission for further publications?

Mr. BLOOM. Yes. The idea is this: The gentleman from New York [Mr. LORD], for instance, bought a thousand books. He made his check for \$100 payable to the Treasurer of the United States. That money goes into the Treasury of the United States. If we want to print more books or more literature and the Congress has not appropriated the money for that purpose, of course, we cannot print any more. The money that has been used in the past and the money we are getting, the \$200,000 and the additional \$150,000, will be used for reproductions of things pertaining to the history of the Constitution and the Constitution itself. I doubt if there are a thousand people in the United States who could have told me 1 year ago how many pages there were to the Constitution. I would suggest that the Members try to think for themselves.

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. DOWELL. What I am getting at is that under this authorization there is no limitation to the expenditures to be made by this Commission.

Mr. BLOOM. Oh, yes; there is.

Mr. DOWELL. Except what may be disposed of.

Mr. BLOOM. Let me explain it this way: Up to now we have received \$200,000. If we get the additional \$150,000, we can expend up to \$350,000. That is all we get.



If there is \$200,000 in the Treasury, we can expend that \$200,000, but not exceeding \$350,000. We can expend the \$200,000 for more literature.

Mr. DOWELL. In other words, if this bill is passed, when you reach the amount of \$350,000, the money taken in from the sale of these articles will go into the Treasury of the United States?

Mr. BLOOM. Certainly. It conforms to all the other rules and regulations. It goes through the General Accounting Office.

Mr. DOWELL. Then, the revolving fund applies only to the extent of the \$200,000 or the \$350,000, as it may be?

Mr. BLOOM. Right. There is no question about it. The gentleman is absolutely right.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. HOFFMAN. Does the 10 cents which is paid for these books cover the cost?

Mr. BLOOM. Yes and no.

Mr. HOFFMAN. Well, yes or no?

Mr. BLOOM. The gentleman is asking me a question I cannot answer in that way. The publication of the 10-cent book itself costs us about 11 cents.

Mr. HOFFMAN. Then why do you not charge 11 cents for it?

Mr. BLOOM. The gentleman from New York thinks he is too good a businessman to charge 11 cents for something—

Mr. HOFFMAN. That costs 10?

Mr. BLOOM. You would charge either 10 or 15. What we are looking for is circulation. We are trying to get as many of these 10-cent books into the hands of the people of this country as possible, so they will understand what is the real history of the Constitution. I have received letters such as this, "Thank God, I can get a book that will tell me something about the Constitution without spending \$3, \$4, or \$5 for it."

Mr. HOFFMAN. Sure, I think the book is a good book.

Mr. BLOOM. Are we going to be so small and picayunish as to sell a book for 11 cents because it costs us 11 cents, instead of selling it for 10 cents and letting it have a good circulation and letting the people have it and read it? I think the Government can well afford to spend the 1 cent, when it has been spending all kinds of money for other things without getting anything at all in return.

Mr. HOFFMAN. I have to agree with the gentleman; but is it true that your campaign of education has had something to do with the change of attitude and opinion of Mme. Perkins, as recently expressed?

Mr. MAAS. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. I yield to the gentleman from Minnesota.

Mr. MAAS. Will the gentleman tell us about what the expected revenues from the sale of these pamphlets will be?

Mr. BLOOM. I cannot answer that.

Mr. MAAS. You have had experience in the past year. What was realized during that time?

Mr. BLOOM. The Government is not commercial. We are not trying to make any money.

Mr. MAAS. I understand that.

Mr. BLOOM. We are trying to publish these different kinds of publications, the Declaration of Independence and the Constitution of the United States. The Constitution has never been published before in the history of this country. There never was published a correct text of the Constitution before the publication by this Commission. You have never had an analytical discussion of the Constitution outside of the publication of this Commission. We are not trying to make money but are trying to publish the book at a price at which everyone can afford to buy it.

Mr. TOBEY. I may say in conclusion I still have not had an observation from the gentleman with reference to how he is spending the \$350,000, except the gentleman states it is for publishing reports and data about the Constitution. The net result of my question and the gentleman's answer is that he is spending a third of a million dollars to compile

in printed form information about the Constitution and dispense it throughout the country.

Mr. BLOOM. Yes.

Mr. TOBEY. The gentleman on May 4, 1936, speaking in the House in favor of House Joint Resolution 525, empowering the United States Constitution Sesquicentennial Commission and authorizing an initial appropriation of \$200,000 therefor, made this statement in the RECORD:

I want to impress upon the Members that ultimately this is not going to cost the Government of the United States one cent.

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield 1 additional minute to the gentleman from New Hampshire.

Mr. TOBEY. I continue to read:

After all the expenditures have been made there will be a profit in the Treasury of the United States of from \$1,500,000 to \$2,000,000.

Does the gentleman still believe that?

Mr. BLOOM. It is absolutely true.

Mr. TOBEY. Is the gentleman willing to guarantee that?

Mr. BLOOM. Absolutely; and I will do more than that. I will pay all the expenses if you will give me half the profits.

Mr. TOBEY. I will go with the gentleman on the first part of the sentence. We will claim that promise later on.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, I would like to clear up a point in connection with the gentleman from New York. In one breath the gentleman says we are not going to be picayunish but are going to sell 11-cent books for 10 cents, and in the next breath he says we are going to make \$1,500,000.

Mr. BLOOM. I did not say that.

Mr. TOBEY. Oh, yes; the gentleman confirmed it in his own words.

Mr. BLOOM. The gentleman is talking about \$1,500,000?

Mr. TOBEY. Yes.

Mr. BLOOM. Where does \$1,500,000 come in?

Mr. TOBEY. The gentleman's own words in the RECORD of May 4.

Mr. BLOOM. Let me see that. Oh, no. Evidently the gentleman has the bicentennial mixed up with the Constitution.

Mr. TOBEY. I read the gentleman his own words spoken on May 4 when this matter was under debate.

The SPEAKER. The gentleman from North Carolina has the floor.

Mr. BARDEN. I yield to the gentleman from New Hampshire.

Mr. TOBEY (reading):

I want to impress upon the Members that ultimately this is not going to cost the Government of the United States one cent. After all the expenditures have been made there will be a profit in the Treasury of the United States of from \$1,500,000 to \$2,000,000.

SOL BLOOM's statement.

Mr. BLOOM. I did not say that.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield the gentleman from North Carolina 3 additional minutes.

Mr. BARDEN. Mr. Speaker, I want to make this statement: As for me, I certainly would not like to go on record as approving the setting up of any commission or any committee out of this Congress that would make one penny of profit in any financial transaction with the people of the United States. If this is a worthy cause, and I think the Commission is doing a fine work, then the people of the country are entitled to the very best service we can give them at cost, or less; and, for one, I do not approve of a million and a half dollars being put in the Treasury made in this way.

Mr. BLOOM. That language is not mine, and I do not know how that got in there.



Mr. TOBEY. Does the gentleman repudiate his own words?

Mr. BLOOM. Just a moment. Let me tell the gentleman that it could not be one million and a half dollars, because there was only \$350,000 spoken of. The million and a half dollars got in there with respect to the bicentennial because that was the amount that was made.

Mr. TOBEY. The question under debate was the Constitution.

Mr. BLOOM. I did not read that.

Mr. TOBEY. Did the gentleman correct that speech?

Mr. BLOOM. No; I do not correct speeches of that kind, as I am too busy to try to read everything of that sort; but I will state that if the gentleman wishes to give me all the money necessary in order to give this information free, the same as we did in connection with the bicentennial, I would be very happy.

When you figure costs there are many factors to be considered, and if you figure the cost of overhead, that book cost 11 cents to print, and it is necessary to add a year or more of time to get all the information, but do not figure that in the cost of production. If we are given a sufficient amount of money, we can do as we did in connection with the bicentennial when we gave things of this sort away.

There are Members here who are looking for a thousand or more copies of this book. They cannot afford to pay for them, but they want to give them out. If you will give me the money, I will spend all the money you give me; but if you are going to hold me down to a few dollars and then expect me to give 130,000,000 people in this country a history of the Constitution, or anything else pertaining to the history of our country, it simply cannot be done. If you will appropriate the money, I will do the work.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield the gentleman from North Carolina 2 additional minutes.

Mr. BARDEN. Mr. Speaker, in reply to that statement of the gentleman from New York, I would not like for the gentleman to become confused about my attitude toward the work of the Commission. So far as I am concerned, I do not feel that \$350,000 is a small amount of money to carry on an undertaking of this kind, and in view of the fact that the fund is a revolving fund under the bill, I think that is all the more reason this House or any committee set up by this House should certainly be extremely careful that the people get the most possible out of as small an appropriation as may be possible. This is the thought I have had in mind, and I am not criticizing the gentleman's movement at all. However, when these expressions appeared, I could not sit here and keep quiet when there was an admission that there was any such profiteering as this going on with respect to the American public. I think the fund ample and I cannot approve increasing it. May I state further that the people of the United States are entitled to the best possible service this Congress or any subcommittee or commission can render, with full assurance that there is not one penny of profit being made for the United States Treasury or any revolving fund that might be set up. I think this is a sound and honest policy to pursue.

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. DORSEY].

Mr. DORSEY. Mr. Speaker, it seems to me that since this appropriation is made for the celebration of the one hundred and fiftieth anniversary of the formation of the Constitution of the United States, the amount of \$350,000 is rather meager when we consider the fact that one State alone, the State of Pennsylvania, has appropriated \$100,000 for this purpose.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker, I would like to ask the gentleman from New York [Mr. BLOOM] a question or two.

How much space does the gentleman's Commission occupy in the old House Office Building?

Mr. BLOOM. About 10 offices on the fifth floor.

Mr. LAMBERTSON. How many people are employed?

Mr. BLOOM. About 40 or 45.

Mr. LAMBERTSON. Who selects those people?

Mr. BLOOM. I do. I am responsible for the work. Has the gentleman any objection to any of them?

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. KELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 363) to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 363, with Mr. MARTIN of Colorado in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. KELLER] for 30 minutes.

Mr. McLEAN. Mr. Chairman, the ranking minority member of the committee is temporarily absent, and he asked me to serve in his stead.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey for 30 minutes.

Mr. KELLER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BLOOM].

Mr. BLOOM. Mr. Chairman, I really do not like to come on the floor of this House and try to explain what we are doing. At the outset I may say that this kind of work with me is a labor of love. Ever since I was a little boy I have delved into history. I like to read it, and I like to write it; and when I started on the history of the United States and discovered the tremendous amount of errors and misrepresentations that were in the history books of the country, I realized that something should be done by the Government itself to correct those mistakes. I have been working on these different celebrations, two, at least, since 1924, when we first passed legislation to celebrate the two hundredth anniversary of the birth of George Washington, and I think that the books gotten out by the Bicentennial Commission will live forever as the correct history of this country. There is nothing political about this. No Member on either side has had occasion to say that he was being discriminated against on account of politics or anything else, and from the first day up to the present time our only purpose and object has been to give service to the Members of this House and the Senate and to the people of this country. When I started on the Constitution to write the history of it, I just could not believe that there was so much misinformation on the Constitution of the United States. It took about a year to write that 10-cent book, to get it right, and before we did put it into final print we sent 100 press copies out to different people throughout the country and asked them to examine it and find out if there were any mistakes in it. No Member of Congress from either branch has written or showed us one mistake in that book. I am giving up all of my time, my spare time, Sundays and nights and holidays and everything else to do this right.

Mr. McLEAN. Mr. Chairman, at this point I wish the gentleman would insert the names of the Commission in the RECORD.

Mr. BLOOM. They are already in the RECORD.

Mr. McLEAN. I am cooperating with the gentleman and I think the Members would like to be informed.

Mr. BLOOM. They are already in the RECORD. The President of the United States is the chairman of the Commission. Then the members are the Vice President, the Speaker of the House of Representatives, and five members



appointed by the President of the Senate and five members appointed by the Speaker of the House, together with five members appointed by the President of the United States. At the very first meeting of this Commission at the White House, at which the President presided, it was agreed by all members—Republicans and Democrats and everyone—that I was to have \$350,000 to complete the celebration of the formation of the Constitution. Therefore when I was asked at the time this bill was before the House how much money I needed for that fiscal year and was requested to cut the amount from \$350,000 to \$200,000, because that was all that was necessary, naturally I acquiesced in that amount, expecting that I could come back and get the additional \$150,000. Had I thought there was going to be so much talk about this, had I thought there was to be so much debate, I certainly would not have gone ahead with it; I would have stopped then and there.

Mr. Chairman, we are in contact with over 30,000,000 school children of the United States, we are in contact with over 275,000 schools in the country, we are in contact with over 250,000 churches in the country. There is not a patriotic organization, there is not any kind of an organization throughout the United States that we are not trying to get in contact with so as to give them the information on the history of the Constitution of the United States.

Why does it require this sum? On September 17 will occur the one hundred and fiftieth anniversary of the signing of the Constitution—not the adoption of the Constitution as is so oftentimes said, for the Constitution was never adopted, and the word "adopted" does not belong to the Constitution or any part of the history of the Constitution. The Constitution was signed on September 17, 1787, and that is the beginning of our celebration. Then we go on through the ratification by the different States, starting with Delaware on its anniversary, December 7, 1937. Then we celebrate the anniversary of all of the ratification dates up to June 21, when New Hampshire was the ninth State to ratify the Constitution, and on that date, according to article VII of the Constitution, which closes the original Constitution itself, the Constitution became a living thing; it became established. So we take in from September 17, of this year, and go through all of the ratification anniversary dates, showing you how the Congress was organized, how the Confederate Congress went out of existence, how the first President of the United States was elected, and up to the inauguration of Washington on April 30, 1789, when he was inaugurated in New York City as the first President of the United States of America.

The proclamation that was issued by the President of the United States on July 4, the day before yesterday, is as follows, and I hope I shall have sufficient time to read this:

By the President of the United States

#### A PROCLAMATION

Whereas the Constitution of the United States was signed on September 17, 1787, and had by June 21, 1788, been ratified by the necessary number of States; and

Whereas George Washington was inaugurated as the first President of the United States on April 30, 1789.

Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, hereby designate the period from September 17, 1937, to April 30, 1939, as one of commemoration of the one hundred and fiftieth anniversary of the signing and the ratification of the Constitution and of the inauguration of the first President under that Constitution.

In commemorating this period, we shall affirm our debt to those who ordained and established the Constitution, "in order to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defence, promote the general welfare, and secure the blessings of Liberty, to ourselves and our posterity."

We shall recognize that the Constitution is an enduring instrument fit for the governing of a far-flung population of more than 130,000,000 engaged in diverse and varied pursuits, even as it was fit for the governing of a small agrarian nation of less than 4,000,000.

It is, therefore, appropriate that in the period herein set apart we shall think afresh of the founding of our Government under the Constitution, how it has served us in the past and how in the days to come its principles will guide the Nation ever forward.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 4th day of July, in the year of our Lord, 1937, and of the independence of the United States of America the one hundred and sixty-second.

FRANKLIN D. ROOSEVELT.

By the President:

[SEAL]

CORDELL HULL,  
Secretary of State.

Mr. Chairman, that is all this Commission is trying to do. I do not feel so very happy over the fact that some people want me to do this and some people want me to do that. I am trying to do the best I can and so is every member of the Commission. This is a difficult task and you must remember I have 434 bosses on this side and I have 96 bosses on the other side, and I want to tell you it is a difficult task to try to please everyone. But I will say if any Member wishes to find out what the Commission is really doing, what the Commission is really accomplishing, I wish they would come over to Room No. 524 in the House Office Building and we will be glad to take you through. If you can tell me any city, town, or village in any district that we do not have a complete record of, that we are not in direct contact with and sending information to them free of charge, aside from the big things, I would like to know about it, but please come over and we will be glad to explain everything to you we possibly can.

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. LAMBETH. Will the gentleman tell the committee how many copies of the book *The Story of the Constitution* have been sold?

Mr. BLOOM. Does the gentleman mean sold?

Mr. LAMBETH. Well, ordered or printed, or what the output of this book is?

Mr. BLOOM. I cannot say exactly how many have been sold. For example, we printed 25,000 of those books. We are giving to every Boy Scout a copy of this book free. Do not think we are out to make money on this thing. We are giving away a lot of stuff. Anybody who is entitled to anything from this Commission is going to get it. I think up to this time with our appropriation we are able to print about 250,000 copies of these books.

Mr. LAMBETH. As I understand, the chief purpose of the additional appropriation involved in this resolution is to finance a very large circulation of this book, is it not? That is the purpose of the revolving fund?

Mr. BLOOM. That and other things.

Mr. LAMBETH. But that is the principal item, is it not?

Mr. BLOOM. That is one of them; yes.

Mr. LAMBETH. If I understood correctly, the gentleman previously stated that the present contract price for printing these books is about 11 cents per copy?

Mr. BLOOM. Yes, sir.

Mr. LAMBETH. And the gentleman contemplates that the circulation of this book will run into the millions of copies, does it not?

Mr. BLOOM. I hope and pray it does. I would like to see that book in the hands of every person in the United States.

Mr. LAMBETH. And the selling price is 10 cents each?

Mr. BLOOM. Yes.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I will be pleased to yield to the gentleman.

Mr. MAPES. Following the question by the gentleman from North Carolina [Mr. LAMBETH], and especially in view of the statement of the gentleman from New York [Mr. BLOOM] a year ago that the Government would make a million and a half dollars out of this—

Mr. BLOOM. Now, I do not know how that got into the RECORD. I never said that. It is a mistake.

Mr. MAPES. The gentleman will admit that it is in the RECORD under his name, will he not?

Mr. BLOOM. It is a mistake. Did the gentleman ever hear of a mistake in the RECORD before?

Mr. MAPES. I usually look over the RECORD and try to correct any glaring mistake of that kind—



Mr. BLOOM. I am too busy. I have too much to do to look up those things.

[Here the gavel fell.]

Mr. KELLER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MAPES. Will the gentleman yield further?

Mr. BLOOM. Yes; I yield.

Mr. MAPES. Waiving the question of whether the gentleman actually made the statement or not, although he is credited in the Record as having made it, I should like to ask the gentleman in view of the further fact that the gentleman has just stated these books would be sold at 10 cents each, I am wondering what the gentleman's estimate is of the amount of this revolving fund which, if this resolution passes, the gentleman will have the use of during the next year?

Mr. BLOOM. We will use from the revolving fund whatever is necessary. After these books and other documents have been paid for, if we want to get additional books and documents, then we shall have to go to the revolving fund.

Mr. MAPES. And how much does the gentleman think the revolving fund will be?

Mr. BLOOM. I do not know.

Mr. MAPES. Has he any idea?

Mr. BLOOM. I have no idea about it whatever.

Mr. MAPES. Does the gentleman think that we ought to pass a resolution giving the gentleman's Commission an unlimited amount?

Mr. BLOOM. You could not go over \$350,000 if you wanted to. The appropriation calls for \$350,000. Now, if I spend that \$350,000 and then want more books that will cost \$50,000 or \$100,000, I will go to the revolving fund and get the money.

Mr. MAPES. Or \$350,000.

Mr. BLOOM. Or \$350,000, yes; but I cannot give the gentleman any definite sum.

Mr. MICHENER. Mr. Chairman, will the gentleman yield at that point?

Mr. BLOOM. I yield.

Mr. MICHENER. As I understand the bill from reading it—and that is all I know about it—it sets up a revolving fund for this Commission as follows:

Sums heretofore or hereafter received from the sale of publications and other material of such Commission are hereby authorized to be appropriated as a revolving fund for the further acquisition of such publications and material.

So there is no limit or control in the bill over the fund.

Mr. BLOOM. Oh, yes.

Mr. MICHENER. The gentleman could use the money in the revolving fund for any purpose for which the commission may legally function. That is correct, is it not?

Mr. BLOOM. No; that is not correct.

Mr. MICHENER. That is what it says:

For the further acquisition of such publications and material.

Mr. BLOOM. Exactly. If I want some more books and have not got the money from this \$350,000 directly appropriated, I can then go to the revolving fund and use whatever is necessary; but it must go through the regular channels of the Treasury and be approved. Is not that right?

Mr. MICHENER. As I take it, it seems that the gentleman will have whatever money comes in to use in the legitimate functions of his commission.

Mr. BLOOM. Yes; up to \$350,000.

Mr. MICHENER. Well, whatever comes in, there is no limit, even though it were \$1,500,000.

Mr. BLOOM. All right; if it will satisfy the gentleman, I shall be very glad to agree to an amendment limiting it to \$350,000.

Mr. MICHENER. I am not quarrelling about the amount.

Mr. BLOOM. I am glad that is understood. I really do not see that there is any argument about that at all.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. KRAMER. The gentleman from New York just stated that it was his desire to give 25,000 copies to the Boy Scouts visiting Washington.

Mr. BLOOM. Yes.

Mr. KRAMER. I have about 110 boys visiting here this morning from Los Angeles, Eagle Rock, and Huntington Park, in my district. I would like to know where I can get 110 copies of this pamphlet for these boys.

Mr. BLOOM. The gentleman cannot get them, I am sorry to say, even if you had the money.

Mr. KRAMER. How are we going to give them to these boys?

[Here the gavel fell.]

Mr. McLEAN. Mr. Chairman, we are making such excellent progress and the gentleman from New York has been so generous in yielding time that I take great pleasure in yielding him 10 additional minutes of my time.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I shall be pleased to.

Mr. DOWELL. The gentleman stated awhile ago that the \$350,000 provided in this bill would print substantially 250,000 books.

Mr. BLOOM. No, I did not; oh, no. I never said anything like it. I made no statement of how many books I could print at any time for any amount of money. I said that the books cost about 11 cents to print. That is the printing cost. That does not include the cost of preparation or anything else.

Mr. DOWELL. The preparation has already been made, has it not?

Mr. BLOOM. Yes.

Mr. DOWELL. The expense of preparation has already been paid.

Mr. BLOOM. Yes.

Mr. DOWELL. All that is necessary now to put the book on the market or in the hands of those who desire it and want to pay for it is the actual printing of it.

Mr. BLOOM. Yes.

Mr. DOWELL. Then the revolving fund will not be used for materials, but will be used for something else, will it not?

Mr. BLOOM. Oh, no. The idea is this—

Mr. DOWELL. How will the gentleman use the money from materials when the preparation of the book has already been finished?

Mr. BLOOM. Let me give the gentleman an example: Suppose an order comes in from Woodward & Lothrop for 10,000 books. They send in a check for \$1,000 made payable to the Treasury of the United States. That goes into the revolving fund. Suppose we sell 100,000 books, or a million books; all of that money goes into the revolving fund. If I want money to print more books and have none left in the direct appropriation, then I go to the revolving fund.

Mr. DOWELL. That is true, but the gentleman is taking it out of the revolving fund.

Mr. BLOOM. That is what I want to do.

Mr. DOWELL. The gentleman said he would be willing to have an amendment put on so that he would not be able to spend over \$350,000.

Mr. BLOOM. That is perfectly all right.

Mr. DOWELL. If the amendment is agreed to, the gentleman will be limited to \$350,000 worth of books. He will not be able to sell any books beyond that number.

Mr. BLOOM. I was trying to satisfy my friend from Michigan.

Mr. DOWELL. The gentleman ought to satisfy the situation instead of the gentleman from Michigan.

Mr. BLOOM. The gentleman is right.

Mr. DOWELL. The gentleman should not destroy the opportunity to sell these books to anyone who wants to buy them.

Mr. BLOOM. If it was not for the fact I have my heart and soul in this work I would not stand for some of these questions that have been asked me for 2 minutes. I say the work of this Commission is one of the greatest pieces of work this Congress has done during the present session or any other session. We are teaching patriotism today that has not been taught before, and \$350,000 is not one-tenth of what ought to be spent for this work. The gentleman from Iowa is absolutely right.

Mr. DOWELL. The question I am raising is that the gentleman will spend more than \$350,000 because he will be



able to spend what is taken in under the provisions of this bill.

Mr. BLOOM. But rather than have any argument, I will permit the gentleman from Michigan to put in any kind of amendment he wants to offer.

Mr. DOWELL. I do not know why the gentleman wants to cut off the possibilities.

Mr. BLOOM. Because the gentleman from Michigan started this thing.

Mr. HOFFMAN. Will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Michigan.

Mr. HOFFMAN. A while ago I asked the gentleman what these books cost and whether they cost more than 10 cents. The gentleman stated they cost about 11 cents. A moment ago he stated they cost 10 cents to print them. Now, what do they cost?

Mr. BLOOM. About 11 cents.

Mr. HOFFMAN. What does it cost to get the book out, including printing, binding, and all the rest of it?

Mr. BLOOM. About 11 cents.

Mr. HOFFMAN. That is the total cost?

Mr. BLOOM. Yes.

Mr. HOFFMAN. The whole business?

Mr. BLOOM. Yes.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Referring to the index you have here, the gentleman had the same card index under the bicentennial?

Mr. BLOOM. Yes; that is the same thing right straight through.

Mr. LAMBERTSON. The gentleman has not closed up the bicentennial yet, although it is now 5 years afterward.

Mr. BLOOM. My part of it is closed.

Mr. LAMBERTSON. Is it?

Mr. BLOOM. Yes. The only thing that is left over is something I had nothing to do with. That had to do with the definitive writings of George Washington. They were supposed to be covered by 25 volumes, but when we got up to the twenty-fifth it was found 8 or 10 more volumes would be required, and as far as I was concerned I stated I would not have anything more to do with it.

Mr. LAMBERTSON. Who is responsible for that?

Mr. BLOOM. The original commission that was appointed in 1924, of which I was the director later, but I had nothing to do with the preparation of the writings of George Washington. My work is finished.

Mr. LAMBERTSON. Who was director general of that part of it after the gentleman quit?

Mr. BLOOM. I am still functioning, but I would have to come to this Congress to complete that work and ask for \$75,000 more. Can the gentleman imagine my getting it?

Mr. HOFFMAN. Yes. The gentleman has got everything he has asked for so far.

Mr. LAMBERTSON. When is the gentleman going to close up the one hundred and fiftieth anniversary of the Constitution?

Mr. BLOOM. The last day would be April 30, 1939. It will be about 6 months later. You see, we had 25 different volumes. We spent \$250,000 or \$300,000 on the 25 volumes. If we do not spend the additional sum of money to print the additional books, the 25 volumes that we have already printed would be worthless, but I am afraid to come here with a bill asking for more money.

Mr. LAMBERTSON. There is a feeling in the minds of some people that the gentleman does not close these things up. The bicentennial ought to be closed and this one hundred and fiftieth anniversary ought to be closed short of 3 years after it is all over.

Mr. BLOOM. Oh, no; 6 months after.

Mr. LAMBERTSON. The gentleman said April 1.

Mr. BLOOM. No. April 30, 1939, is the last day. That is the one hundred fiftieth anniversary.

Mr. LAMBERTSON. That is nearly 2 years afterward.

Mr. BLOOM. No. Nineteen hundred and thirty-nine.

Mr. LAMBERTSON. This is 1937, and the one hundred fiftieth anniversary is this year.

Mr. BLOOM. No.

Mr. LAMBERTSON. The Constitution was written in 1787, was it not?

Mr. BLOOM. Yes.

Mr. LAMBERTSON. This is the one hundred and fiftieth anniversary.

Mr. BLOOM. May I explain this matter. This is the one hundred and fiftieth anniversary of the formation of the Constitution. Everything is included in that.

We start on September 17 of this year, which is the anniversary of the day the Constitution was signed. Then we go to the different States for the ratification. On each ratification day we have a different ceremony. June 21 of next year is the anniversary of the day New Hampshire, which was the ninth State to do so, ratified the Constitution and, in accordance with article VII, the Constitution became effective, so the anniversary will be next year, 1938. Then we go through the other proceedings of the formation up to the meeting of the First Congress, and this anniversary will be March 4, 1939. Then follows the anniversary of the inauguration of Washington, which is April 30. April 30, 1939, is the day this celebration closes.

Mr. LAMBERTSON. What do you call this anniversary?

Mr. BLOOM. The one hundred and fiftieth anniversary of the formation of the Constitution.

Mr. LAMBERTSON. This year is the anniversary of the beginning of the formation?

Mr. BLOOM. No; this year is the anniversary of the signing.

Mr. LAMBERTSON. The Constitution will never end, because we are changing it, you know.

Mr. BLOOM. That I do not know. The gentleman is talking politics now, and I am not interested.

Mr. TOBEY. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. TOBEY. I hold in my hand the book, *The Story of the Constitution*, published by the Commission at Government expense. I notice it appears that Sol Bloom is the author, and on the binding appears "The Story of the Constitution—Bloom."

Mr. BLOOM. Yes.

Mr. TOBEY. This is the gentleman's work?

Mr. BLOOM. Yes.

Mr. TOBEY. Not the work of the Commission?

Mr. BLOOM. I wish the gentleman would please ask a question I can answer.

Mr. TOBEY. I shall ask it in a different form now.

Mr. BLOOM. Wait, I am going to try to answer the gentleman. I am really surprised the gentleman, who knows so much, would ask a question of this kind.

Mr. TOBEY. I am not through yet. The gentleman has not heard the worst yet. The worst is yet to come.

Mr. BLOOM. Is that so?

Mr. TOBEY. Yes.

Mr. BLOOM. I am ready for the gentleman. The gentleman will not be the first one for whom I have been ready on this floor.

I may say to the gentleman it is necessary at all times to have a name of some kind on a book. Many books are published bearing the title, "The Story of the Constitution." If the gentleman were to write to any publisher for a book entitled "The Story of the Constitution", the publisher would not know which one the gentleman wanted. The mere fact I put "Sol Bloom" on there does not mean I was looking for the glory, although I have put the work into the book. I was not looking for the glory. I put a name on there so people would know what to ask for.

[Here the gavel fell.]

Mr. McLEAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. Bloom].

Mr. BLOOM. The gentleman will notice it does not say "Sol Bloom"; it says "Bloom", so any other Bloom in the country could get the credit for it, not I.



Mr. TOBEY. I would be the last man to take the Bloom off that book, but, may I ask, is it customary to copyright Government publications?

Mr. BLOOM. I believe this is the question the gentleman reserved when he said the worst was yet to come?

Mr. TOBEY. Possibly.

Mr. BLOOM. I may say that is not the worst.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Just a minute. This is a lovely question, and I want to be sure the gentleman gets it right. The reason the book was copyrighted by Sol Bloom is that the Government is not permitted to copyright anything. If the gentleman will kindly read further, he will find that the introduction states:

Upon application, permission will be granted for the reprint or use of any portion of this book, provided that no change be made and that full credit be given to the Commission.

Not to Sol Bloom, but to the Commission. Let me tell the gentleman why. I did not want any cheap life-insurance companies or toilet-soap companies to take this book and use it for advertising purposes. This was done to protect the Government of the United States. I know enough about copyrights and publications to know how to do it.

Now, what is the gentleman's next question?

Mr. TOBEY. How much of the \$200,000 has been so far expended?

Mr. BLOOM. I do not know.

Mr. TOBEY. What would the gentleman think? The gentleman has some idea, has he not?

Mr. BLOOM. I am not thinking today. If the gentleman wants to find out, if he will come over—

Mr. TOBEY. Is this not a fair question to ask the chairman of the Commission?

Mr. BLOOM. No; it is not a fair question, because I do not carry all the figures in my head. I may say to the gentleman I have stayed on this floor today and answered question after question, trying to give the right kind of an answer.

Mr. TOBEY. I think that is true—

Mr. BLOOM. Excuse me; I am speaking now. I have tried to give the truth. The gentleman expects me to answer him with reference to how much of the \$200,000 has been expended, and to give the amount, and then expects to spring another \$1,500,000 proposition on me, but I am not fool enough to do that.

Mr. TOBEY. Will the gentleman please listen just a minute?

Mr. BLOOM. I refuse to yield further, Mr. Chairman.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. FORD of California. In order to clear the record as to the name "Sol Bloom", you will notice it does not say "By Sol Bloom", but merely uses his name. The name is put there for the purpose of identification and for the protection of the copyright.

Mr. BLOOM. Anyone who knows anything about publication or has ever read a book knows that is so.

Mr. HOFFMAN. I understand this book was printed to teach patriotism?

Mr. BLOOM. Yes.

Mr. HOFFMAN. The wider the circulation the better?

Mr. BLOOM. Yes.

Mr. HOFFMAN. Why have it copyrighted? Why not let anyone distribute it who wants to?

Mr. BLOOM. For this reason—

Mr. HOFFMAN. I know, you spoke about the advertisement.

Mr. BLOOM. I do not want to have anyone take the material in this book and use it without giving full credit to the Commission, and reprinting it exactly the way it is in this book. I do not want the gentleman or anyone else to take something out of the book and change it around, and then have people think we did it.

You can use anything or everything in that book, provided you print it the way it is and the reason we insist upon that is because we know if it is printed that way it will be absolutely right.

Mr. HOFFMAN. But you have it copyrighted and if I want to take that book and reprint it, I cannot do it, can I?

Mr. BLOOM. Yes.

Mr. HOFFMAN. In spite of the fact it is copyrighted?

Mr. BLOOM. Yes; read the statement there again.

Mr. HOFFMAN. Then what is the use of having it copyrighted?

Mr. BLOOM. I helped write the copyright law a few years ago and I know something about it.

The language I refer to is:

Upon application, permission will be granted for the reprint or use of any portion of this book, provided that no change be made and that full credit be given to the Commission.

The limitation is that no change be made and that full credit be given to the Commission, and if that is complied with you can reprint the entire book.

Mr. HOFFMAN. But if I understood the gentleman a moment ago, he stated that you cannot print parts of the book.

Mr. BLOOM. You can print any part of it. You can do anything you want with it, provided you do not make a change in it, and, as I have said, I do not want to have it used for advertising purposes or anything of that kind.

Mr. HOFFMAN. Then the sole purpose of the copyright is to give credit to the Commission?

Mr. BLOOM. It is for the protection of the Commission.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. BOILEAU. Is such permission given automatically, or must they apply to the Commission?

Mr. BLOOM. They must get permission in writing.

Mr. BOILEAU. In each instance?

Mr. BLOOM. Yes.

Mr. HOFFMAN. When the Commission goes out of existence, then what?

Mr. BLOOM. Then it is turned back to the Government.

Mr. HOFFMAN. Then to whom do we make application?

Mr. BLOOM. I do not know. I shall not be there any more.

[Here the gavel fell.]

Mr. KELLER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Ford].

Mr. FORD of California. Mr. Chairman, I am in full accord with the pending resolution because I believe it is perfectly proper for the Government of the United States to undertake this work. I believe it is a perfectly proper function of government to encourage the distribution of an unbiased record of its fundamental law.

This is particularly desirable at this time when the Constitution is being so widely discussed by the people of the country, many of whom are asserting that the President's plan for the revitalizing of the Supreme Court is unconstitutional. Most of these assertions come from lawyers, many of whom are said to be great constitutional lawyers. As a matter of fact, a better description of this type of lawyer would be a great corporation lawyer.

I also believe it is better that the Government should disseminate unbiased information about the Constitution than to have private interests undertake to do so, because I happen to know that there is an institution in this country that for a number of years has given an annual prize for the best essay or the best speech on the Constitution. The contest is confined to colleges and high schools, and I happen to know that when these young people brought in their manuscripts unless their manuscripts conformed to a certain interpretation of the Constitution, regardless of how brilliantly they may have dealt with the subject, they were not acceptable. If this is not biased information on the Constitution, then I do not know what would be considered biased information.

For this reason I think it is meet at this time, on the one hundred and fiftieth anniversary of the formation of



the Government, that the Congress should authorize a wide dissemination of an unbiased story of the formation of the Constitution. [Applause.]

Mr. KELLER. Mr. Chairman, I yield myself 1 minute.

I simply wish to call the attention of this body to the fact that we have gone into this matter, and we believe we ought not to stop halfway. We have learned more about the Constitution of the United States during the present few months, and I hope we shall learn more during the coming months, than we have ever known before in our lives. This applies to all of us—lawyers, laymen, and everyone else—and we ought to know something about it. The wider distribution we can have of the story of the Constitution and of the Constitution itself, the better it will be for the people of this country, because we have all got to be educated in the matter of the Constitution.

The CHAIRMAN. The Clerk will read the joint resolution for amendment.

The Clerk read as follows:

*Resolved, etc., That section 8 of the public resolution entitled "Joint resolution to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes", approved June 1, 1936 (49 Stat. 1392), is hereby amended by striking out the sum "\$200,000" and inserting in lieu thereof the sum "\$350,000."*

Mr. KRAMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

*Amendment offered by Mr. KRAMER: Page 1, line 8, strike out "\$350,000" and insert "\$475,000."*

Mr. KRAMER. Mr. Chairman, my purpose in increasing this amount is to enable the Commission to print a sufficient number of copies, as will be set out in a subsequent amendment I am going to offer, so that Members of the House and Senate may distribute this worthy and patriotic publication.

I have had repeated calls for copies from teachers who have given this publication a great deal of study and attach a great deal of importance to it. One of a few write me as follows:

After reading this booklet, one of our Los Angeles high-school teachers made the following comments:

"It's the finest thing we have. A high-school student will read a book like this from cover to cover. The big volumes are not even lifted from the shelf. I value especially the indexed analysis. I only wish we had enough for an entire class."

I am surprised that any Member of Congress would have cause to make objection to this very small appropriation that is being asked to put this patriotic publication of our Constitution in the hands of millions of people who perhaps will never have an opportunity to come to Washington to learn of the Constitution and its history in any other way than just by reading this booklet and its abbreviations.

I believe the Members of the House should give a great deal of attention to the explanation which the gentleman from New York [Mr. Bloom] is making with respect to the work of this Commission and the publication of this booklet on the Constitution.

It is a very appropriate time to send these booklets to the child in school, and many adults would be glad to have them.

Mr. LAMBETH. Mr. Chairman, I rise in opposition to the amendment. I had hoped that the gentleman in charge of the bill, or at least the author of the resolution, would oppose the amendment to increase the appropriation. Since they have not seen fit to do so, I feel that it is my responsibility. I am opposing it for the reason that a resolution of similar purport was introduced by the gentleman from California [Mr. KRAMER] and referred to the Committee on Printing, of which I happen to be the chairman. The committee, after hearing the gentleman from California, and also the gentleman from New York [Mr. Bloom], and other interested persons, unanimously decided not to report the resolution favorably to the House.

The purpose of this amendment, as I understand it, is to provide sufficient funds to purchase 1,250,000 copies of this book to be given to Members of Congress for free distribution. The policy of your Committee on Printing, in view of the mounting Government expenditures, has been not only to resist all efforts to expand and extend but to curtail the practice of free distribution of public documents. I do not

know whether the Members realize how rapidly the volume and cost of public printing has risen during the past 10 years. If I had had a little warning that this matter was coming up today, I would have had the figures here to present to the House, but I can say that the total cost of public printing has now passed well beyond the \$20,000,000 mark, and your committee has been doing all it could to stop further excursions of this kind and also to curtail extravagance in this line not only in the congressional branch of the Government, but in the various executive departments as well.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. LAMBETH. Yes.

Mr. KRAMER. Did the gentleman from North Carolina realize that just a few weeks ago an appropriation was given to North Carolina of \$2,500,000,000, an appropriation far beyond the amount asked here.

Mr. LAMBETH. The gentleman refers to the parkway to cost about \$2,500,000. The cost was \$2,500,000 instead of \$2,500,000,000, as the gentleman said.

Mr. KRAMER. At least it was far more than this insignificant amount.

Mr. LAMBETH. Mr. Chairman, I refuse to yield further. That has no more reference to this than a matter in Siam or China. The gentleman seeks to draw a red herring across the trail of his amendment.

Mr. KRAMER. But the gentleman is talking about money being spent.

Mr. LAMBETH. I am discussing the gentleman's amendment, and the cost of public printing, and particularly am I discussing the principle involved in this, which is more important than the amount of money. We had at the close of the recent fiscal year a deficit of \$2,811,318,310.60, the excess of ordinary expenditures over ordinary receipts, the seventh successive annual deficit. I ask the House, How long can we trifle with this serious problem? In spite of that the House of Representatives is asked today to authorize the borrowing of more money at the expense of the taxpayers to give to Members of Congress free books to send out to their constituents. I have no objection to this book or to the distribution of it at the present nominal cost. Anyone in this country who is not interested sufficiently in the Constitution to pay 10 cents for a copy of this book, I do not believe would read the book if you gave it to him free. My experience is that when you give people things at no cost and no effort on their part, they do not appreciate it. I am here simply to say to the House that our committee had a similar proposal under consideration and rejected it, not because of the individual merits of the publication, but because it is in line with the policy which this committee has been following to try to reduce the cost of public printing and the free distribution of Government documents.

Mr. MURDOCK of Arizona. Mr. Chairman, I move to strike out the last word, in order to say just a word or two with regard to this proposition. I feel I have, on other grounds, a right to say it other than being a member of this body or of this committee. Let me indicate the nature of my interest in the matter.

When this book first appeared it attracted my attention. Not supposing for a moment that there would be any for free distribution, I purchased more than 1,000 copies. Five hundred copies I sent at once to school teachers in the State of Arizona, and I supplied several hundred copies to ministers of the gospel, to commanders of the American Legion posts and to the presidents of women's clubs and other organizations.

I did that partly because of the fact that I felt it was an educational feature. For the past 12 years I have been furnishing textbooks to the schools of Arizona and I am not sure but that some of the Boy Scouts from Arizona, of whom there are more than a hundred in town, and several in the gallery just now, have studied books that I have prepared for boys and girls in the grades. I have furnished a book like this on the Constitution of the State of Arizona which cost the State of Arizona 80 cents per copy. It is not very much larger than this and not nearly so well done as



this scholarly piece of work. I am in favor of this amendment which is made that the Members of Congress be furnished a certain number of copies for free distribution. Although I, at my own expense, have supplied a good many, I could supply more.

It is not more than 3 or 4 days since I received a letter from a former president of the Federated Women's Clubs of Arizona asking for a copy of this book.

I sent her one with a better binding than this, and I said to her, "I think I have about a dozen copies left on my shelves. Let me know anybody else who needs these, and they will be sent at once."

I know in my State these are highly desired. I have had lawyers write me for them. I have furnished a great many to school teachers, and school people are still writing for them.

Mr. MICHENER. Mr. Chairman, will the gentleman yield? Mr. MURDOCK of Arizona. In just a moment.

Mr. Chairman, in ancient Rome the law was written on 12 tablets of bronze, put up in the Forum. The great Roman orator and senator, Cicero, tells us that learning these was the basis of his education. Well, it may be the basis of the education of any great statesman to read, memorize, and know the law of Rome. Learning thoroughly a few great laws is truly the groundwork of a legal education.

I am told that Daniel Webster at one time, as a small boy, persuaded his father to buy him a piece of cloth displayed in a store window, which cloth was a sort of a cross between a table cover and a handkerchief, on which something was printed in small type. Young Dan got that for a present and took it home. It had on it a copy of the Constitution of the United States. I am informed that Daniel Webster, as a small boy, memorized that great document.

I am not saying that that fact made him the greatest constitutional lawyer in American history, but I do know that when Daniel Webster handled a case in the highest Court of this Nation, when he appeared before John Marshall, he did not have to fumble around to get a book to refer to when he wanted to make a quotation from the Constitution. He had it.

I think I am not stretching the point when I say if you put these in the hands of the boys and girls of this country and let them know the Constitution of the United States, it will probably have some such effect on a few of them that memorizing the laws of Rome had upon Cicero and memorizing the Constitution of the United States itself had upon Daniel Webster.

I am in favor of this proposal, and I think it would be money well spent.

[Here the gavel fell.]

Mr. TOBEY. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, when I was questioning the gentleman from New York [Mr. BLOOM] I was shut off so that I did not have an opportunity to elucidate the matter as much as I wanted to. I regret that the gentleman from New York [Mr. BLOOM] took umbrage at the questions passed to him by different Members of the House, because I believe in any matter where the taxpayers' money is being spent we ought to let in all the light possible and answer any questions pertinent to the subject.

I asked the gentleman from New York [Mr. BLOOM] one question, referring to the fact that he had originally \$200,000 of the taxpayers' money. I asked him how much he had spent of the \$200,000. He said he could not tell. It seemed to me germane that a man who has been spending \$200,000 should know how much of that sum was spent up to date, before he asked for \$150,000 more.

I want to read this into the RECORD. I have here his book, "The Story of the Constitution; BLOOM, author." On the fly-page "The Story of the Constitution, by Sol BLOOM." Below that it says "United States Constitution Sesquicentennial Commission, House Office Building, Washington, D. C."; but in small print, "Copyrighted 1937, by Sol BLOOM." Therefore, the copyright runs not to the commis-

sion but to Sol BLOOM, the gentleman from New York. I ask the gentleman from New York and the House as well, suppose the gentleman who now owns this copyright should pass on, by act of God, tonight, or tomorrow, or next year, that copyright becomes an asset of his estate. I believe this bill should be amended so that when this commission ceases its activities the copyright and all rights thereunder would be vested in the Commission and not the estate of the gentleman from New York [Mr. BLOOM]. I think that matter is germane today. I submit my case on that, and I asked the gentleman if he would not be willing to have the bill amended, whereby his rights under the copyright would revert to the United States Commission.

In his answer to the question he did raise this point: He said it was copyrighted so that those who might want to use it, insurance companies, and so forth, would have to come back to the Commission and get their consent to use it. Under the very verbiage of this copyright they would not have to come to the Commission, but they would have to come to one Sol BLOOM and not to the Commission itself. I would like to see this matter more impersonal; less of BLOOM and more of the Commission.

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. LAMBETH. While the amendment offered by the gentleman from California [Mr. KRAMER] calls for an increase in this appropriation of \$125,000, the amount of cost to the Government in the form of the franking involved will run into a considerable sum. I do not know what that amount will be, but it will be a considerable sum in addition to the \$125,000.

Mr. TOBEY. Of course.

Mr. LAMBETH. In that connection, I have just located the figures on the cost of franking for the past 4 years.

May I state that the cost of free mailing by the departments of the Government has increased from \$10,701,912 in 1932 to \$33,713,305 in 1936. It is fair to state also that there has been no increase in the cost of the franking privilege by Members of Congress during this same period of time.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. KRAMER. I would like to answer the statement of the gentleman from North Carolina. He realizes, of course, that numerous new agencies of government have been created in the last 6 years which accounts for the increase in their use of the franking privilege. During that same time, however, the number of Members of Congress has remained stationary and their use of the franking privilege has not increased materially.

Mr. LAMBETH. There has, of course, been an increase in the activities of the Government, but I think the amount of propaganda and free literature that has been mailed out under the franking privilege is beyond justification. It has increased threefold.

Mr. KRAMER. I will admit that it has been roundly abused.

Mr. LAMBETH. I stated that there had been no increase in the cost of the franking privilege by Members of Congress.

Mr. KRAMER. I do not think it has ever been abused by any Member of Congress, and I do not think there has been or will be any abuse of it in this instance to send out these pamphlets.

Mr. MOSER of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. MOSER of Pennsylvania. I may add, for the information of the gentleman from North Carolina [Mr. LAMBETH] that there is a difference between the franking privilege used by Members of Congress and the penalty envelope or the penalty privilege that is used by the agencies of the Government. This is a point that should be brought out at this particular time.

Mr. TOBEY. I yield back the balance of my time.

Mr. BLOOM. Mr. Chairman, I rise in opposition to the amendment.



Mr. Chairman, the gentleman from New Hampshire asked a question, but I was not given the opportunity of answering it.

Mr. TOBEY. I beg the gentleman's pardon. I owe the gentleman an apology.

Mr. BLOOM. It is perfectly all right. Mr. Chairman, the thing that strikes me at this time is the great concern of the gentlemen opposed to this resolution and their interest in the ownership of the copyright of this book. Certainly there are no royalties being paid, there is no money being made. No one could ever think of printing this book and selling it for 10 cents unless they wanted to lose a lot of money. Now, as far as I am concerned in the pride of the ownership of a copyright, if it is the wish of this Committee or of the House that I should throw this entire copyright into the public domain I should be very pleased to do it.

Mr. McLEAN. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. McLEAN. I would like to interrogate the gentleman on another point. I am entirely satisfied as to the matter of the copyright, and I am sure everybody else is.

Mr. BLOOM. Mr. Chairman, I must refuse to yield until I finish with the matter of the copyright. The only reason that we have this copyright is for protection. It is for the protection of the Commission. Protecting the Commission is protecting the Government. Now, as far as I am concerned personally with reference to the copyright, I certainly would object for the reason that it might be considered as a slap at me, and I am not going to allow it for one minute. The copyright was taken out by me as a protection. As Director General of the Commission, I am responsible, and up to now I doubt if there is any person in the last 13 years that I have been operating these commissions who could, in good faith, in bad faith, or any faith, say that I have ever done anything but what is absolutely right.

Now, I shall be pleased to yield to the gentleman from New Jersey.

Mr. McLEAN. Mr. Chairman, I was going to ask the gentleman from New York if he would not urge the gentleman from California to withdraw his amendment at this time. This matter has been passed upon by the Committee on the Library; it has been passed upon by the Committee on Rules; it comes as the result of a conference with the President of the United States; and the Commission's program is complete. Does not the gentleman think it would provide for sufficient distribution?

Mr. BLOOM. I think the amendment is a good amendment, but I talked with the gentleman from California before he introduced it and told him that personally I would prefer not to have it come up at this time. I think we have had too much talk. I do not think it looks well to the country that we should sit here for nearly 2 hours debating whether we are going to spend \$150,000 more celebrating the formulation of the Constitution of the United States. Either let us celebrate it or not celebrate it. There is no use in fighting over this thing. Either we are going to get the money to carry on or we cannot carry on in the distribution of these things that we feel is necessary to distribute to teach the children and the adults of this country the real history of the Constitution. In case anyone thinks he does not need it, let him come to me and I will ask him 10 questions.

There will not be a thousand people in the United States who can answer those 10 questions, and I include judges, lawyers, or anybody else. I know the history of the Constitution because I have studied it. May I say it is a shame and an outrage that we should dicker here for a few dollars. You would imagine it is the most terrible thing in the world to expend \$150,000 to teach the people of this country that which they are ridiculing every day. The only way you can destroy the Constitution of the United States is by ridicule, not by education, and I am for education.

[Here the gavel fell.]

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Mr. BLOOM. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McLEAN. Will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from New Jersey.

Mr. McLEAN. It seems that the patriotic assembly here this afternoon is almost in accord on the resolution as now pending. To increase this appropriation without consideration by a committee or without ample time to think it over puts an entirely different phase on the situation. If the gentleman from California will withdraw his amendment, in view of the fact he has a bill pending before the Committee on Printing and there is ample opportunity to take up that important phase of this situation on its own merits, I think we can complete the argument in a very short time.

Mr. BLOOM. The gentleman states we are in accord. I would like to have the gentleman understand it is not very pleasant for the gentleman from New York to stand here and be criticized or questioned about his name being put on a book that he spent years to bring out and about a copyright on the book that he secured for the protection of his country. It is not pleasant, and I can assure the gentleman I do not like it.

Mr. McLEAN. Mr. Chairman, may I say I have always had the greatest respect and esteem, and I have grown to love the gentleman from New York. I think if his mental processes will return to a few moments ago, he will appreciate I was trying to relieve the situation and indicate to his mind I thought there was no need for further discussion of the matter that was being brought before us.

[Here the gavel fell.]

Mr. PATMAN. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, this is one of the best books in my opinion that has ever been published on this subject. Every Member of this House, as well as the people of the Nation, owe our friend and colleague the gentleman from New York, Sol Bloom, a debt of gratitude for the time and effort put forth in the preparation of this great book. He is not going to profit one penny by this book. He has already rendered a great public service by preparing and causing it to be distributed. [Applause.]

I have purchased hundreds of copies of this book to send to different people in the congressional district I have the honor to represent. The lawyers like this book because they know it possibly is the first exact copy of the Constitution they have ever seen, and I repeat "the first exact copy." This book should be in the hands of not only all the lawyers and judges but of people who serve on juries. It should be in every school, every library, and placed in the hands of the Boy Scouts and with all people who want to know more about our country.

We are facing a fight in this world. Many people realize that. Will it be fascism, communism, or democracy? We want our people to remain as they are, in favor of a democracy. The best way to keep them sold on our form of government is to let them know what our form of government is, and there is no better way of doing that than to place in their hands a copy of this book. [Applause.]

We talk about the \$125,000 cost and compare it with the postal deficit. What is \$125,000 in comparison to the amount lost on the mails? I appreciate the gentleman from North Carolina is always watching these bills, and I commend him for his attitude. I follow him most of the time, but I cannot follow him this time. We lose \$100,000,000 a year on the mails. Who gets it? Who is benefited? I can name dozens of newspapers that receive or their subscribers or readers receive a benefit of more than \$125,000 a year. I can name magazines that receive a bonus or a subsidy, whatever you want to call it, equal to almost a million dollars a year. The mail order houses of this country are benefited more than any other class or group. They receive a benefit of approximately \$17,000,000 a year.



How much do the Members of Congress cost the Government on the franking privilege? Less than \$1,000,000 a year. To be exact, \$750,000. Who benefits by that? The people the Members of Congress represent benefit by it if the privilege is properly used and if it is abused it should be stopped. You cannot help your people more, you cannot vote for a bill that will be more helpful to the people of this Nation and your congressional district especially, than to vote for this Kramer amendment providing for 2,500 copies for each Member of the House to distribute. I sent out over a thousand of them. I purchased them myself. I could send out two or three thousand more, and whether we pass this amendment or not, I expect to do that, because this book is not worth only \$1, it is worth \$5 in the hands of any good American citizen.

I want to commend my good, unselfish, and generous friend, the gentleman from New York, **SOL BLOOM**, for the efforts put forth and the time he has spent in the compilation and preparation of this book which I think is the greatest record ever published of the formation and establishment of this great country of ours. [Applause.]

I insert the following under leave to revise and extend my remarks:

#### CONTENTS OF BOOK

The book, *The Story of the Constitution*, was prepared before the present Supreme Court controversy arose. I considered the book so valuable that I purchased additional copies from the Treasurer of the United States, and furnished a copy to a number of friends in my district who I believed would appreciate it. I am purchasing more from time to time as I get requests for them, since it is my belief that it is one of the most valuable books this Government has ever caused to be published. Many of the replies I have received from those to whom this book was sent stated that they considered it worth \$5 a copy. Many said it was the best book of its kind that has ever been published. In the preparation of this book, the Constitution and other important documents were read several hundred times to make sure that the book contains an exact copy. It is claimed that it is the only exact copy of the Constitution that has ever been reproduced. The book's contents include the following:

Diagram of origin of United States Government.

The story of the Constitution, including origin, formation, and operation; also development under it, with maps.

Portraits and sketches of the signers of the Constitution and Chief Justices of the Supreme Court.

Literal text of the constitutional amendments, Declaration of Independence, and Washington's Farewell Address.

Alphabetical analysis of the Constitution.

Questions and answers pertaining to the Constitution.

History of the Great Seal.

On yesterday, July 4, 1937, we celebrated the one hundred and sixty-first anniversary of the Declaration of Independence of this great country of ours—the greatest country in all the world. It will be helpful to our people to know more about their Government. Thomas Jefferson once said that if the people get the truth, the country will be safe. Today in the world we hear much about different forms of government.

#### PRESIDENT ROOSEVELT'S TRIP TO SOUTH AMERICA

There seems to be a great contest on to determine whether or not in the principal countries of the world we will have fascism, communism, or a democracy. I believe that the American people desire a democracy. President Roosevelt accomplished much on his South American tour during the past year, but if he did not accomplish anything more than to let the other countries of the world know that democracy is going to accept their challenge if an effort is made to force communism or fascism upon us, his trip was worth while, and should meet with the plaudits of the American people. This book *The Story of the Constitution* will do more toward enlightening, educating, and instructing the citizens of this country on what they should know about our Government than any book that is published. It is written in understandable language, and contains just the informa-

tion that every American citizen should be encouraged to know. Every time I get an opportunity to get the truth to the people about this great Democratic Government of ours I expect to lend a hand in that direction. The cost is insignificant compared to the great good that will be accomplished.

We can save enough on documents that are printed and not used by the Government Printing Office or that are not useful in 1 year's time to pay the \$125,000 necessary to send more than a million of these books into more than a million schools, libraries, and communities in this Nation.

#### COST OF TRANSPORTING THROUGH MAILS

The gentleman from North Carolina, my good friend Mr. **LAMBETH**, has mentioned about the Post Office deficit, and about how much it would cost for Members to send these books through the mails. These books are not given to the Members of Congress; they are given to the people. The Member of Congress is used as a vehicle to convey them to the people and libraries where they will be appreciated the most and used to the greatest advantage. It will cost practically nothing to deliver these books. The Post Office Department contracts with the railroad companies to use so much space, these books will be transported when the entire space is not used, and in that way it will not cost the Government a penny to transport them over the railroads. There will be no extra cost for delivery and the little trouble caused to the carriers, postmasters, clerks, and others will be rendered generously and unselfishly by these faithful employees because of their knowledge that they are making a contribution to a very worthy cause.

#### POSTAL DEFICIT

I do not know what the figures disclose at this time, as I have not examined them, but the figures for 1932 in the Annual Report of the Post Office Department, disclosed that the Government is losing more than \$36,000,000 a year on certain newspapers and magazines; over \$11,000,000 on other kinds of newspapers, and a loss of about \$8,580,000 because weekly newspapers are circulated free in the county in which they are published; about \$16,900,000 was lost on parcel post. These losses, although they are paid by the Government, the people get the benefit of them in many ways. For instance, by reason of the low cost of transportation through the mail, all newspapers and magazines, newspapers especially, are very cheap. That is one reason that a weekly paper can be published for such a low price because of this free in-county service given by the Government. The people get the benefit of it. Local delivery on fourth-class made a profit during the year 1932, but zones 1 and 2 used principally by mail-order houses, caused a loss of more than \$25,000,000 during that year. If we want to save some money on the mails, and we should save every penny we can, would it not be better to save a little on ocean-mail or parcel-post rates or in some other way? Members of Congress are charged with only about \$750,000 a year on the postal deficit. At the same time, Members of Congress cause lots of letters to be written upon which postage is paid, and these letters to Members of Congress are written not necessarily to help the Members of Congress but to help the people they have the honor to represent. I know Members of Congress who spend from \$200 to \$500 a month during a session for extra clerk hire to serve their constituents, and oftentimes during a session of Congress pay \$200 to \$300 a month to the Government Printing Office and stationery room for extra printing, stationery, documents, and supplies. Members of Congress pass benefits such as distribution of these books on to their constituents in the same way that a county newspaper passes the benefit of the free in-county service through the mails on to its subscribers.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from California [Mr. **KRAMER**].

The question was taken; and on a division (demanded by Mr. **LAMBETH** and Mr. **McLEAN**) there were—ayes 60, noes 18. So the amendment was agreed to.

The Clerk read as follows:

**SEC. 2.** Such public resolution is hereby further amended by adding a new section thereto, as follows:



"SEC. 9. Sums heretofore or hereafter received from the sale of publications and other material of such Commission are hereby authorized to be appropriated as a revolving fund for the further acquisition of such publications and material."

Mr. KRAMER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KRAMER: Page 2, line 4, insert a new section, as follows:

"SEC. 10. That the United States Constitution Sesquicentennial Commission is authorized and directed to procure sufficient copies of the book entitled 'The Story of the Constitution', published by the Commission, to provide a distribution quota of 2,500 copies for each Senator, Representative, and Delegate from a Territory. Enclosures for mailing such booklets shall also be provided by the Commission. The quantities of such booklets and enclosures required for Senators shall be delivered to the folding room of the Senate and placed subject to the order of the respective Senators and the quantities required for Representatives and Delegates shall be delivered to the folding room of the House of Representatives and placed subject to the order of the respective Representatives and Delegates."

Mr. KRAMER. Mr. Chairman, this further amendment merely provides the number of copies which would be distributed to the Members of the House and of the Senate, and the manner of their distribution, through the folding room in the same manner as other publications of this kind are distributed.

Mr. McLEAN. What is the additional amount of money that will be spent?

Mr. KRAMER. One hundred and twenty-five thousand dollars. I base this estimate on the figures which have been submitted by the gentleman from New York [Mr. Bloom] on various occasions, to the effect that this is what it would cost to distribute that number of books and distribute them equally among the Members of the House and the Senate. It may be a few dollars, perhaps \$10, more or less, I do not know, but this is the approximate amount.

Mr. MICHENER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have had demonstrated within the last few minutes one of the things with which the country is confronted. We have got so in the habit of spending that it matters not what comes up, the Congress apparently does not have the courage to resist. It does not make any difference how laudable the purpose, it is just the question that if you are going to give some more books to Members of Congress to send out free, then are you ready to borrow the money with which to buy them? I was wonderfully surprised to see some of the leaders of the administration stand up here—when they know there is no money in the Treasury, when they know this Government is borrowing money today to feed the hungry—and yet they vote to borrow \$125,000 more to send out free books to our constituents, which might possibly help us from a patronage standpoint. If these books were to be sent out by any other agency there would not be a chance of this amendment passing.

I was here when we had the free garden seeds to distribute. I know what a fight we had to get rid of the distribution of Government seeds. Our splendid Speaker was here then. We know what seeds meant. There were seed statesmen. There were statesmen who would buy extra seeds because they thought seeds made votes. There were statesmen who attributed their election to the fact they sent out so many packages of free garden seeds. The Congress appropriated \$300,000 a year for this purpose down through the years, until the people began to understand, and then they saw to it that we stopped. It would appear from this amendment that instead of "seed statesmen" that we have some "document statesmen."

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from North Carolina.

Mr. LAMBETH. The effect of these two amendments is to give each Member of Congress \$275 worth of books free.

Mr. MICHENER. Yes. There it is. We are voting now to give each Member of the House \$275 of the taxpayers' money in order to send free books into his district. Pressure groups are preventing us from economizing. However, to-

day it is not a pressure group; it is our own innate desire to get something for nothing, something which we can send out to our districts and make our people believe we are doing something for them and giving them something. If I voted today—notwithstanding the condition of the country—to send the people of my district \$275 worth of free publications, they would resent it, and they would have a right to resent it. I feel like saying, "Shame on you." I would not say, "A plague o' both your houses", or anything like that, but simply, "Shame on you", who have no consideration for people's pocketbooks.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. Yes.

Mr. KRAMER. Will the gentleman refuse his share of the books in the event this amendment is carried, or will the gentleman send the books out to his district?

Mr. MICHENER. I will send them out.

Mr. KRAMER. The gentleman would send them out. Of course, he would.

Mr. MICHENER. What a childish question.

Mr. KRAMER. We are talking about \$275 worth of books to send out.

Mr. MICHENER. I will not yield further.

If I cannot prevent it, and if this money is appropriated and I have \$275 worth of the taxpayers' money invested in books which are presumed to belong to my district, and I cannot stop your spending the money to buy the books, then someone has the audacity to ask me whether I am going to leave them here after they have been purchased, or whether I am going to send them out to the folks back home. I am going to send them out, and I should say to those people: "This is an example of the way the majority of the Congress functions today. I am sending you \$275 worth of books, for which you must pay. We have borrowed the money to pay for the books, and are paying interest on this money." What will your constituents say about such a present?

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. Yes.

Mr. HOUSTON. May I ask the gentleman if he is going to send his speech out before the books?

Mr. MICHENER. Yes; I shall see to it that my constituents know that I did not vote for this measure. It seems to me preposterous. In 1936 the Congress appropriated \$200,000 in order that this Commission might celebrate the signing of the Federal Constitution. The resolution brought before us today provides an additional \$150,000, or a total of \$350,000 authorized for this celebration since May 4, 1936. Now, the gentleman from California [Mr. KRAMER] offers an amendment, the effect of which is to add \$125,000 more in order that each Member of Congress may send out \$275 worth of free books to the taxpayers, who must pay for them. Talk about pork and patronage! It seems to me this is the limit. So far as the taxpayer is concerned, this is heaping insult upon injury. Undoubtedly Mr. Bloom's book on the Constitution is a good book, but this is neither the time nor the place to be spending the people's money in this way. It might be well for the Congress to set a good example with reference to adhering to the Constitution. Possibly our constituents would learn more by way of example than by study of the document, which is so often disregarded in these latter days.

I in no way reflect upon the gentleman from New York [Mr. Bloom]. He is an enthusiast about this matter. At the same time he is a good businessman, and I am sure that if the United States Government were his own business today, if his credit were about exhausted, and if he were spending \$2 for every dollar taken in, in order that his business might keep its head above water, he would not think of purchasing books to send to his friends, especially when many of those same friends were without the necessities of life. No; the gentleman from New York would use a little business sense, and if it were necessary for the Government to spend money for food and raiment he might continue to borrow.

I shall insist upon a roll call on this measure. I am sure that our several constituencies will be interested in knowing



the attitude of mind of their hired men in Congress when it comes to spending the people's money.

Mr. LAMBETH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have not risen at this time primarily to discuss the merits either of the pending bill or the amendment of the gentleman from California. The committee has already voted to increase the appropriation, and my purpose in taking this time is to give the House some information which has been compiled as a result of several months' work, which, although it is not yet in final or complete form, may be of interest to the House and to the country.

The large sheet which I have before me gives the cost of printing for the past 10 years by departments, and when we go back into the House it is my purpose to ask permission to extend my remarks by including these tables for your information.

I may state very briefly that the total cost of public printing in the Government Printing Office over the period of the past 10 years has increased from \$12,505,000 in 1927 to \$18,665,000 in 1936. The 1933 figure was \$12,454,000, or an increase of 50 percent in the last 4 years. The tables which I shall insert in the RECORD will show the break-down by departments.

Many of us think the entire cost of public printing is represented in the reports of the Public Printer, but there has grown up in the departments of the Government the practice of setting up their own independent printing plants using the offset process of printing, involving such equipment as the multilith. Your committee has been laboring for several weeks to obtain information about the extent of this type of printing, which I choose to term "bootleg" printing, because I think the main purpose of it is to circumvent the appropriations by the Congress for public printing; that is to say, the departments exhaust their appropriation for printing by work done in the Government Printing Office and then through the use of these machines and their regular personnel they go far beyond the amount that Congress intended.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. LAMBETH. I am pleased to yield to the gentleman from Mississippi.

Mr. COLLINS. Do they not have to go to the gentleman's committee to get permission to set up these machines?

Mr. LAMBETH. They have not been doing that.

Mr. COLLINS. Is not that the law?

Mr. LAMBETH. The question of whether multilith and multigraph reproduction is printing within the meaning of the act of March 1, 1918, has not been definitely determined. The decisions of the Comptroller General interpreting the law have not clearly defined the authority of the Joint Committee on Printing over this class of work. I may say to the gentleman I have had that matter up with the Director of the Budget and the Comptroller General, and we are in process of doing something that will stop the practice.

Mr. COLLINS. It ought to be the law, and, as I understand, it is the law at the present time.

[Here the gavel fell.]

Mr. LAMBETH. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. LAMBETH. I do not like to trespass upon the time of the Committee, but this is a matter which I think is worthy of attention, and I wish to extend my remarks in the RECORD to give some more information on the subject because it is my definite conviction that this enormous increase in free mailing by the departments, which has doubled in the last 4 years, is due to this so-called "bootleg printing" which you get every morning by the basketful.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. LAMBETH. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. Can the gentleman tell the Members the cost of the advertising of the P. W. A., W. P. A., Rural Resettlement, and the emergency agencies, including the Relief Administration?

Mr. LAMBETH. If the gentleman will get me the assistance of Solomon and Hercules, who cleansed the Augean stable, I may be able to answer the question.

Mr. BULWINKLE. Has the gentleman any idea of the cost?

Mr. LAMBETH. I cannot answer offhand. I was not fully prepared to bring this matter before the House, but I thought this was a suitable occasion to present it in part; and I may say further, in defense of the Congress, because we are constantly criticized in the press throughout the country about this matter of free mailing and public printing, that Congress is spending today, or spent in 1936, \$3,400,000 for public printing, and in 1927 we spent \$2,900,000, or an increase of 15 percent, and I have already given you the figures with reference to the franking privilege of Members of Congress, which shows that has not been increasing in the past 10 years. The tremendous increase in free mailing and in the printing of this Government lies at the door of the heads of the various departments of the Government and the Budget officers thereof, as well as at the office of the Director of the Bureau of the Budget. The Joint Committee on Printing, composed of Members of both Houses of the Congress, have been seeking through all this wilderness and labyrinth to get some facts and I am happy to tell you that we have assembled a great deal of information, and we are going to take such steps as the law will permit to curtail this enormous development. If existing law will not permit us, we are going to come here and ask you to give us a law that will. [Applause.]

Under leave to extend my remarks, I insert herewith a table which has been prepared from the Annual Reports of the Postmaster General.

TABLE A.—Estimated amounts which would have been collected at regular rates of postage, including registry fees and surcharges, on matter mailed free during the fiscal years from 1927 to 1936, inclusive

	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Mailed under penalty privilege by departments and establishments of the Government exclusive of the Post Office Department.....	(1)	(1)	\$8,169,170	\$9,347,505	\$9,886,456	\$9,151,899	\$14,315,414	\$23,094,882	\$31,281,600	\$32,236,269
Mailed under franking privilege by Members of Congress.....	(1)	(1)	957,964	718,060	723,671	778,436	1,019,621	775,785	577,162	751,579
Mailed under franking privilege by others.....	(1)	(1)	154,545	154,545	128,970	6,289	3,994	215	180	246
Publications mailed free in county.....	(1)	(1)	747,115	753,263	704,579	631,647	538,221	545,227	575,597	615,645
Free matter for the blind.....	(1)	(1)	56,991	63,779	132,161	133,641	90,522	103,552	131,700	109,566
Total.....	\$14,501,208	\$17,634,510	9,931,240	11,037,152	11,575,837	10,701,912	15,967,772	24,519,661	32,566,239	33,713,305

<sup>1</sup> Totals only furnished.

<sup>2</sup> Estimated.

NOTE.—The decrease in the amount of matter mailed under the franking privilege by others than Members of Congress beginning in the fiscal year 1932 is due to the fact that matter previously mailed under the franking privilege by directors of agricultural experiment stations is being mailed under the penalty privilege.

I insert herewith a table showing the work done in the Government Printing Office for the various departments and

agencies of the Government. The table shows (1) the dollar value and (2) the total number of pieces of printed matter.



TABLE B.—Charges for printing and binding and blank paper from fiscal year 1927–36, inclusive, with total number of copies of all kinds of printing and binding

Government departments and agencies	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Congress, Government Printing Office, private orders and speeches, and Superintendent of Documents:										
Total charges.....	\$2,937,978.58	\$3,161,263.45	\$3,210,899.24	\$3,320,054.73	\$3,299,830.63	\$3,792,067.26	\$3,298,497.83	\$3,390,078.85	\$3,168,879.99	\$3,404,302.03
Total copies.....	107,862,320	117,330,940	111,136,163	108,163,557	127,962,915	114,994,215	108,763,823	107,306,613	189,678,533	164,478,071
Library of Congress:										
Total charges.....	\$320,996.47	\$343,853.76	\$334,502.33	\$384,841.42	\$387,912.12	\$399,226.98	\$372,565.11	\$383,077.12	\$403,409.18	\$437,413.55
Total copies.....	23,009,647	23,812,673	27,662,908	28,496,293	32,285,285	29,811,432	30,560,157	32,114,431	29,132,379	33,767,828
Department of Agriculture:										
Total charges.....	\$997,337.83	\$884,886.23	\$803,828.88	\$1,014,610.10	\$1,080,021.83	\$1,082,768.05	\$786,531.71	\$715,855.72	\$927,893.86	\$1,227,889.95
Total copies.....	109,033,488	101,627,507	99,407,070	155,835,313	185,599,085	142,683,367	98,373,475	132,372,362	112,596,258	181,132,711
Department of Commerce:										
Total charges.....	\$803,091.46	\$792,465.21	\$796,857.81	\$1,381,368.92	\$1,747,232.57	\$1,169,386.55	\$1,357,038.62	\$571,831.48	\$934,797.95	\$814,064.80
Total copies.....	51,844,835	46,838,790	53,089,361	153,841,876	61,276,539	51,505,321	39,679,449	86,048,609	62,399,745	109,333,828
Interior Department:										
Total charges.....	\$330,103.67	\$331,188.75	\$328,906.02	\$395,805.57	\$388,336.84	\$366,484.10	\$438,766.05	\$334,238.59	\$580,016.96	\$657,573.14
Total copies.....	22,549,465	19,553,967	21,541,117	21,226,628	21,189,372	19,476,877	17,852,803	36,979,094	50,272,767	62,550,249
Department of Justice:										
Total charges.....	\$298,418.17	\$186,214.48	\$224,329.71	\$264,647.18	\$341,234.17	\$343,362.11	\$229,468.27	\$166,187.18	\$318,322.88	\$351,021.37
Total copies.....	14,999,044	14,239,276	19,366,888	19,933,854	23,205,081	21,422,315	15,804,457	11,092,549	16,338,593	20,033,314
Department of Labor:										
Total charges.....	\$239,483.09	\$206,912.50	\$230,201.71	\$279,013.84	\$239,644.20	\$285,004.63	\$215,172.33	\$282,411.30	\$458,302.16	\$499,525.77
Total copies.....	24,023,155	21,689,675	22,718,720	29,034,733	28,570,837	34,026,221	23,639,242	87,177,171	61,655,095	171,130,597
Navy Department:										
Total charges.....	\$585,019.21	\$614,388.04	\$675,065.11	\$792,405.44	\$747,348.71	\$683,149.56	\$685,165.59	\$482,276.35	\$592,887.72	\$712,046.90
Total copies.....	68,552,179	76,493,018	90,120,409	81,007,251	67,353,539	73,556,581	85,643,266	64,630,163	79,378,449	86,326,418
Post Office Department:										
Total charges.....	\$2,431,370.52	\$2,031,595.71	\$2,113,061.95	\$2,114,610.44	\$1,895,680.02	\$1,684,364.09	\$1,607,460.80	\$1,340,097.32	\$1,838,936.67	\$1,907,480.18
Total copies.....	2,880,843,255	2,465,173,248	2,479,776,964	2,819,114,427	2,267,014,667	2,322,594,414	2,183,919,009	2,467,861,084	2,979,992,337	2,774,159,268
Department of State:										
Total charges.....	\$186,710.55	\$164,257.28	\$248,482.92	\$233,045.67	\$250,559.39	\$202,589.28	\$182,931.49	\$127,037.18	\$182,261.99	\$169,265.67
Total copies.....	16,341,516	14,033,517	21,802,179	21,651,431	20,963,600	19,219,512	14,335,813	8,417,786	12,309,421	15,437,408
Treasury Department:										
Total charges.....	\$927,861.17	\$967,803.77	\$929,992.81	\$891,427.02	\$941,489.95	\$889,343.98	\$683,458.00	\$901,529.22	\$1,224,739.49	\$1,689,007.84
Total copies.....	216,183,619	209,251,622	228,353,509	208,422,650	210,665,629	179,375,656	160,423,523	298,603,403	324,132,222	507,186,554
War Department:										
Total charges.....	\$645,415.52	\$654,509.55	\$677,336.14	\$634,224.53	\$684,459.76	\$690,968.45	\$596,405.60	\$508,480.76	\$647,943.35	\$868,436.90
Total copies.....	81,782,980	88,280,881	95,587,162	93,564,018	93,718,888	111,990,372	89,381,697	134,605,809	139,357,233	225,274,810
Board of Governors, Federal Reserve System:										
Total charges.....	\$51,716.03	\$53,988.58	\$54,543.63	\$39,621.31	\$46,637.63	\$39,672.96	\$40,508.02	\$42,721.89	\$50,755.83	\$58,455.06
Total copies.....	1,506,664	1,147,055	1,211,992	1,273,331	1,579,762	1,304,346	1,293,556	1,880,875	1,941,676	1,022,769
Board of Tax Appeals:										
Total charges.....		\$36,343.24	\$50,133.72	( <sup>c</sup> )	\$42,397.47	\$33,111.08	\$29,223.70	\$28,240.05	\$24,154.81	\$24,308.98
Total copies.....		449,861	261,381	237,258	624,588	257,117	650,444	196,863	336,058	451,582
Bureau of the Budget:										
Total charges.....	\$25,575.84	\$22,643.53	\$25,751.51	\$26,945.92	\$34,144.48	\$31,404.24	\$33,061.89	\$27,540.10	\$30,575.97	\$33,111.15
Total copies.....	144,044	116,894	86,091	150,024	124,496	159,664	78,012	33,040	14,993	34,012
Civil Service Commission:										
Total charges.....	\$60,869.47	\$58,417.56	\$56,949.00	\$62,791.70	\$60,787.16	\$48,924.89	\$21,971.96	\$47,143.48	\$85,246.04	\$104,706.46
Total copies.....	12,856,516	12,945,367	11,886,398	14,121,966	15,110,127	10,946,707	3,381,016	11,433,762	16,210,000	26,803,059
Court of Claims:										
Total charges.....	\$32,127.53	\$41,331.52	\$39,072.89	\$33,439.34	\$38,499.58	\$43,475.15	\$21,498.68	\$21,699.43	\$24,810.62	\$26,988.54
Total copies.....	152,278	169,575	146,427	161,548	175,469	198,277	137,114	130,659	126,610	151,178
District of Columbia Government:										
Total charges.....	\$14,819.47	\$73,008.38	\$75,949.31	\$106,270.65	\$117,816.53	\$142,645.34	\$99,308.34	\$106,079.86	\$164,817.65	\$151,213.96
Total copies.....	88,844	10,209,299	10,492,779	28,400,508	44,610,132	68,730,231	26,000,200	32,768,084	41,747,572	15,068,720
Federal Trade Commission:										
Total charges.....	\$20,999.56	\$20,266.79	\$27,301.71	\$29,729.42	\$47,381.43	\$35,614.36	\$23,666.54	\$42,723.49	\$58,123.20	\$43,345.69
Total copies.....	350,989	813,622	636,924	1,327,932	2,759,576	1,438,985	561,732	850,494	1,038,854	814,249
General Accounting Office:										
Total charges.....	\$40,603.63	\$29,968.28	\$29,850.57	\$76,759.48	\$78,396.18	\$65,617.57	\$56,709.94	\$55,947.45	\$80,680.05	\$107,139.00
Total copies.....	4,473,216	4,528,250	4,775,612	5,541,129	34,101,434	62,116,392	59,157,007	61,178,455	70,304,970	76,213,349
Interstate Commerce Commission:										
Total charges.....	\$219,981.06	\$207,450.36	\$196,998.67	\$230,571.10	\$232,647.64	\$196,520.97	\$165,568.50	\$130,370.35	\$145,886.05	\$182,428.54
Total copies.....	9,807,654	4,779,208	9,384,375	9,384,375	10,079,997	4,163,180	5,298,024	2,275,545	6,980,798	11,126,944
Pan American Union:										
Total charges.....	\$39,630.29	\$38,282.20	\$35,133.45	\$36,738.09	\$40,906.66	\$33,253.37	\$26,251.16	\$25,459.82	\$29,592.98	\$31,357.30
Total copies.....	233,533	246,311	222,151	207,816	195,721	161,450	135,139	134,600	156,020	162,337
Panama Canal:										
Total charges.....	\$44,316.83	\$53,684.34	\$60,064.76	\$51,048.59	\$54,163.31	\$50,839.61	\$15,210.70	\$11,777.24	\$8,420.66	\$9,167.76
Total copies.....	1,160,004	1,379,108	1,909,203	1,146,359	936,757	1,071,562	695,984	691,105	923,396	1,060,667
Patent Office:										
Total charges.....	\$1,046,296.86	\$977,209.41	\$1,047,902.85	\$1,191,228.24	\$1,147,444.86	\$1,396,805.95	\$1,311,097.69	\$928,477.70	\$882,097.98	\$878,558.58
Total copies.....	9,421,945	8,304,345	8,714,974	13,025,427	9,596,906	10,006,101	10,189,065	10,311,874	11,403,162	10,816,825
Reconstruction Finance Corporation:										
Total charges.....							\$170,486.93	\$113,236.30	\$137,319.13	\$131,465.25
Total copies.....							45,023,955	15,916,663	12,756,117	9,582,254

[Footnotes at end of table]



TABLE B.—Charges for printing and binding and blank paper from fiscal year 1927–36, inclusive, with total number of copies of all kinds of printing and binding—Continued

Government departments and agencies	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936
Shipping Board:										
Total charges.....	\$90,689.30	\$76,653.95	\$55,727.23	\$47,965.33	\$42,262.18	\$27,936.58	\$18,870.69	(1)	(1)	(1)
Total copies.....	8,147,581	8,814,520	5,845,796	6,749,919	5,060,407	2,517,637	1,695,772	(1)	(1)	(1)
Smithsonian Institution:										
Total charges.....	\$76,305.67	\$97,430.04	\$126,072.48	\$97,860.86	\$93,721.81	\$84,032.65	\$97,673.63	\$36,514.25	\$10,456.67	\$22,258.58
Total copies.....	856,891	449,733	747,706	572,839	688,278	542,583	327,322	245,000	254,193	287,374
Veterans' Administration:										
Total charges.....	\$157,600.05	\$140,045.42	\$143,440.31	\$173,635.93	\$253,217.98	\$227,670.39	\$156,375.02	\$114,321.67	\$151,927.43	\$171,527.06
Total copies.....	76,061,558	76,802,329	72,863,733	72,952,251	130,974,292	104,122,689	79,654,618	59,945,691	75,581,287	122,475,145
Agricultural Adjustment Administration:										
Total charges.....								\$504,919.38	\$925,886.59	\$603,613.46
Total copies.....								179,988,613	314,594,989	187,960,766
Farm Credit Administration:										
Total charges.....							\$6,571.98	\$206,632.10	\$206,918.42	\$129,890.48
Total copies.....							1,496,174	29,120,457	67,508,269	20,275,420
Civil Works:										
Total charges.....								\$272,470.92		
Total copies.....								162,158,278		
Federal Emergency Administration of Public Works:										
Total charges.....							(1)	\$46,013.32	\$127,496.31	\$262,990.36
Total copies.....							(1)	10,369,169	35,292,877	56,428,745
Federal Emergency Relief Administration:										
Total charges.....							(1)	(1)	\$228,593.87	\$217,879.07
Total copies.....							(1)	(1)	84,219,779	96,406,83
Federal Housing Administration:										
Total charges.....									\$637,197.00	\$468,776.64
Total copies.....									94,204,116	87,582,571
Home Owners' Loan Corporation:										
Total charges.....							(1)	\$110,373.94	\$172,247.88	\$67,932.76
Total copies.....							(1)	48,276,373	13,225,237	1,381,235
National Emergency Council:										
Total charges.....								(1)	\$70,416.04	\$85,808.55
Total copies.....								(1)	6,960,846	3,419,855
National Recovery Administration:										
Total charges.....							(1)	\$472,329.46	\$458,972.17	\$52,679.59
Total copies.....							(1)	125,795,369	29,791,152	2,734,091
Resettlement Administration:										
Total charges.....									(1)	\$808,991.72
Total copies.....									(1)	216,145,674
Social Security Board:										
Total charges.....										\$15,711.10
Total copies.....										1,238,596
Works Progress Administration:										
Total charges.....										\$771,341.56
Total copies.....										418,882,892
Miscellaneous agencies: <sup>1</sup>										
Total charges.....	\$96,996.66	\$104,084.30	\$117,474.08	\$145,192.37	\$212,265.66	\$287,140.20	\$193,578.47	\$401,658.74	\$474,541.12	\$556,593.64
Total copies.....	6,262,621	7,703,241	7,832,316	8,387,464	12,937,871	15,210,232	7,440,672	84,559,808	70,322,628	96,638,669
Grand total of all charges.....	\$12,602,314.92	\$12,370,146.63	\$12,715,330.80	\$14,096,520.25	\$14,546,440.75	\$14,333,380.35	\$12,941,095.24	\$12,949,752.01	\$16,465,026.97	\$18,756,268.94

<sup>1</sup> Miscellaneous.<sup>2</sup> In Commerce.<sup>3</sup> Those now abolished or those with minor charges and copies.



In addition to the total charges for work done in the Government Printing Office for the fiscal year 1936, amounting to \$18,665,855.88, there was also printing done in field plants owned and operated by the various departments and agencies of the Government outside of the District of Columbia amounting to \$1,708,273.57.

From the reports which have been received in response to a questionnaire sent out by the Joint Committee on Printing, it is apparent that the expenditures for offset printing in the mimeograph, multilith, and multigraph shops in the District of Columbia for the fiscal year 1937 are not less than \$2,500,000.

Further expenditures for printing done in commercial plants by contract for the departments and agencies of the Government outside of the District of Columbia amounted in 1937 to approximately \$1,250,000.

Therefore, it may be conservatively stated that the total cost of all public printing is not less than \$24,000,000 per year at the present time.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the amendment. We have four principal means of communication with the people. First, there are the newspapers and magazines—a few people have too much control over them; second, the radio—a few people have too much power over them; third, the news reels—the most effective of them all and controlled by a comparatively few people; fourth, public speakers—a difficult way to reach many of the people. Those are the four principal means of communicating with the people. There is another way, a partial way, of communicating with the people, and that is through the CONGRESSIONAL RECORD. It is the one publication that does not have an editor, it is the one publication that is not censored, it is the one publication where an advertising manager cannot dictate as to what goes in and what does not go in the publication, and it is the one publication in which the American people can fairly get both sides of any public question. Instead of restricting the amount that is being expended by reason of the publication of the CONGRESSIONAL RECORD, I personally would be willing to increase the amount for the reason that we must disseminate knowledge and information such as is contained in the CONGRESSIONAL RECORD, and such as is contained in this book under consideration, which is a story of the Constitution; and I venture to say that when my good friend the gentleman from Michigan [Mr. MICHENER] sends his constituents copies of this book, he will receive more words of praise than he has ever received before during his long term of service here in Congress. They will say that at last the Government of the United States has given them something they want; something which enables them to know more about our country, about the Declaration of Independence, and the formation of the Constitution. It is one book that will not go to the wastebasket. It will be preserved. The questions and answers in the book are enlightening to even Members of Congress.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. MICHENER. Does the gentleman think that my constituents will say that and feel that way when they know that we have had to go out and borrow money, thus increasing the national debt, in order to make them this present?

Mr. PATMAN. Oh, the national debt will be paid all right. This will affect the national debt in a very small way.

Mr. MICHENER. I am very glad to have that assurance from the gentleman from Texas.

Mr. PATMAN. At one time Woodrow Wilson had a law passed that would have captured the profits of war and paid the cost of the war, but when the gentleman's party came into power they commenced to repeal the tax laws passed under the direction of President Wilson, and had it not been for the changes and the amendments thus enacted the national debt would have been paid, including the cost of the war, by June 30, 1927.

Mr. MICHENER. Mr. Chairman, will the gentleman yield further?

Mr. PATMAN. This \$125,000 is nothing compared with the billions and billions and billions of dollars that were given to the war profiteers after the war, that should have gone to pay the cost of the war. One hundred and twenty-five thousand dollars for a book like this to go into a million libraries, schools, and homes is a comparatively small amount. This book is a valuable book, and will cause the people to love their country as they should and they will love their country more by knowing more about their country. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman has referred to the Republican Party repealing the taxes. I remind the gentleman that it is true the Republican Party paid off the national debt from \$26,000,000,000 down to \$16,000,000,000 up to 1930 and reduced taxes five times, and the Democratic Party in the House, every time we voted on an amendment to reduce taxes, voted for a larger reduction.

Mr. PATMAN. The Republican Party did not pass a single tax law. The Congress under Woodrow Wilson passed those tax laws, and those tax laws were for the purpose of causing the profiteers of the war to pay the cost of war, and the Republican Party when they came into power caused those laws to be repealed and changed to help draft dodgers, tax evaders, and the war profiteers who benefited so much because of this country's misery and misfortune.

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. McLEAN) there were—ayes 58, noes 36.

So the amendment was agreed to.

Mr. BLOOM. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Bloom: Page 1, line 10, strike out the article "a" and add the letter "s" to the word "section."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise.

The Committee rose; and the Speaker having resumed the chair, Mr. MARTIN of Colorado, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration House Joint Resolution 363, and in accordance with House Resolution No. 258 he reported the joint resolution back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment?

Mr. MICHENER. Mr. Speaker, I demand a separate vote on the first Kramer amendment.

The SPEAKER. There are three amendments. The Clerk will report the first amendment.

The Clerk read as follows:

Page 1, line 8, strike "\$350,000" and insert "\$475,000."

Mr. BOILEAU. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOILEAU. Is it possible to have a vote on the two Kramer amendments together?

The SPEAKER. It would probably conserve time; yes.

Mr. MICHENER. In view of that, Mr. Speaker, I request that the two be voted on together.

The SPEAKER. The Chair is informed that all three of the amendments relate to the same subject and they might all three be voted on en bloc.

Mr. MICHENER. Very well, Mr. Speaker, I ask that a separate vote be had on the three amendments en bloc.

The SPEAKER. The gentleman from Michigan demands a vote on the three amendments adopted in Committee of the Whole, the vote to be taken upon the amendments en bloc.

The question was taken; and on a division (demanded by Mr. MICHENER) there were ayes 70 and noes 37.

Mr. MICHENER. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. Obviously there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 149, nays 142, not voting 140, as follows:

## [Roll No. 101]

## YEAS—149

Aleshire	Eckert	Kennedy, Md.	Palmisano
Allen, Del.	Evans	Kennedy, N. Y.	Parsons
Ashbrook	Farley	Kenney	Patman
Atkinson	Fitzpatrick	Keogh	Patton
Beam	Flanagan	Kerr	Peterson, Fla.
Beiter	Fieger	Kirwan	Pfeifer
Bell	Fletcher	Kniffin	Poage
Bloom	Forand	Kramer	Ramsay
Boehne	Ford, Calif.	Lea	Ramspeck
Boland, Pa.	Frey, Pa.	Leavy	Randolph
Boren	Fries, Ill.	Lewis, Md.	Relly
Boyer	Garrett	McCormack	Rigney
Bulwinkle	Gildea	McFarlane	Robinson, Utah
Burdick	Gray, Ind.	McGranery	Robison, Ky.
Byrne	Gray, Pa.	McGrath	Sabath
Caldwell	Green	McKeough	Sacks
Cartwright	Greever	McLaughlin	Sanders
Casey, Mass.	Griffith	Magnuson	Schaefer, Ill.
Celler	Griswold	Martin, Colo.	Secrest
Chandler	Guyer	Mason	Shanley
Citron	Harlan	Massingale	Smith, Va.
Coffee, Wash.	Harrington	Maverick	Snyder, Pa.
Collins	Hart	Meeks	Stack
Cox	Harter	Mills	Sutphin
Crosby	Hendricks	Mitchell, Ill.	Swope
Cullen	Hill, Wash.	Moser, Pa.	Thomas, Tex.
Cummings	Hook	Mosler, Ohio	Thompson, Ill.
Curley	Houston	Mouton	Tolan
Daly	Hunter	Murdock, Ariz.	Towey
Delaney	Imhoff	Nelson	Vinson, Ga.
DeMuth	Izac	Norton	Wallgren
Dingell	Jarman	O'Connell, R. I.	Walter
Dorsey	Jenckes, Ind.	O'Connor, Mont.	Welch
Drew, Pa.	Johnson, Lyndon	O'Connor, N. Y.	Whittington
Drewry, Va.	Johnson, W. Va.	O'Day	Wilcox
Driver	Jones	O'Leary	
Dunn	Kee	O'Neill, N. J.	
Eberharter	Keller	O'Toole	

## NAYS—142

Allen, Ill.	Doxey	Larrabee	Seger
Amie	Duncan	Lewis, Colo.	Short
Anderson, Mo.	Eicher	Lord	Simpson
Andresen, Minn.	Elliott	Lucas	Smith, Conn.
Andrews	Engel	Luckey, Nebr.	Smith, Maine
Barden	Englebright	Ludlow	Smith, Wash.
Bates	Fitzgerald	McLean	Snell
Biermann	Ford, Miss.	McReynolds	South
Binderup	Fuller	McSweeney	Sparkman
Bland	Gambrill	Maas	Spence
Boileau	Gearhart	Mahon, Tex.	Starnes
Brown	Gehrman	Maloney	Stefan
Buck	Gilchrist	Mapes	Tarver
Buckler, Minn.	Gingery	May	Taylor, S. C.
Cannon, Mo.	Goldsbrough	Michener	Taylor, Tenn.
Case, S. Dak.	Gregory	Millard	Terry
Chapman	Gwynne	Mott	Thomas, N. J.
Church	Haines	O'Brien, Mich.	Thomason, Tex.
Clark, N. C.	Hartley	O'Connell, Mont.	Thurston
Clason	Havener	Pearson	Tobey
Cochran	Hill, Ala.	Peterson, Ga.	Treadway
Coffee, Nebr.	Hill, Okla.	Pettengill	Umstead
Colden	Hoffman	Phillips	Vincent, B. M.
Colmer	Holmes	Plumley	Vinson, Fred M.
Cooper	Honeyman	Polk	Voorhis
Costello	Hope	Powers	Warren
Cravens	Jenks, N. H.	Rankin	Wearin
Crosser	Johnson, Luther A.	Reece, Tenn.	Welchel
Deen	Kinzer	Reed, Ill.	Whelch
DeRouen	Kitchens	Reed, N. Y.	Wolfenden
Dies	Kleberg	Rees, Kans.	Wolverton
Ditter	Kocialkowski	Robertson	Woodruff
Dixon	Lambertson	Rogers, Mass.	Woodrum
Dondero	Lambeth	Sauthoff	Zimmerman
Doughton	Lamneck	Schneider, Wis.	
Dowell	Lanham	Scott	

## NOT VOTING—140

Allen, La.	Burch	Crowther	Fish
Allen, Pa.	Cannon, Wis.	Culkin	Flannery
Arends	Carlson	Dempsey	Fulmer
Arnold	Carter	Dickstein	Gasque
Bacon	Champion	Dirksen	Gavagan
Barry	Clark, Idaho	Disney	Gifford
Bernard	Claypool	Dockweiler	Greenwood
Bigelow	Cluett	Douglas	Halleck
Boykin	Cole, Md.	Eaton	Hamilton
Boylan, N. Y.	Cole, N. Y.	Edmiston	Hancock, N. Y.
Bradley	Cooley	Ellenbogen	Hancock, N. C.
Brewster	Crawford	Faddis	Healey
Brooks	Creal	Ferguson	Hennings
Buckley, N. Y.	Crowe	Fernandez	Higgins

Hildebrandt	McClellan	Peyser	Steagall
Hobbs	McGehee	Pierce	Sullivan
Hull	McGroarty	Quinn	Summers, Tex.
Jacobsen	McMillan	Rabaut	Sweeney
Jarrett	Mahon, S. C.	Rayburn	Taber
Jenkins, Ohio	Mansfield	Rich	Taylor, Colo.
Johnson, Minn.	Martin, Mass.	Richards	Teigan
Johnson, Okla.	Mead	Rogers, Okla.	Thom
Kelly, Ill.	Merritt	Romjue	Tinkham
Kelly, N. Y.	Miller	Rutherford	Transue
Kloeb	Mitchell, Tenn.	Ryan	Turner
Knutson	Murdock, Utah	Sadowski	Wadsworth
Kopplemann	Nichols	Schuetz	Weaver
Kvale	O'Brien, Ill.	Schulte	Wene
Lanzetta	O'Malley	Scrugham	West
Lemke	O'Neal, Ky.	Shafer, Mich.	White, Idaho
Lesinski	Oliver	Shannon	White, Ohio
Long	Owen	Sheppard	Wigglesworth
Luce	Pace	Sirovich	Williams
Luecke, Mich.	Patrick	Smith, W. Va.	Withrow
McAndrews	Patterson	Somers, N. Y.	Wood

So the amendments were agreed to.

The Clerk announced the following pairs:

Mr. Rayburn with Mr. Luce.  
 Mr. Steagall with Mr. Wadsworth.  
 Mr. McAndrews with Mr. Martin of Massachusetts.  
 Mr. Sullivan with Mr. Eaton.  
 Mr. Mansfield with Mr. Crowther.  
 Mr. Weaver with Mr. Arends.  
 Mr. Cooley with Mr. Bacon.  
 Mr. Burch with Mr. Carlson.  
 Mr. Mitchell of Tennessee with Mr. Knutson.  
 Mr. Gavagan with Mr. Taber.  
 Mr. Fulmer with Mr. Crawford.  
 Mr. Greenwood with Mr. Rich.  
 Mr. Cole of Maryland with Mr. Cluett.  
 Mr. Boykin with Mr. Gifford.  
 Mr. Hancock of North Carolina with Mr. Tinkham.  
 Mr. Kelly of Illinois with Mr. Halleck.  
 Mr. Hobbs with Mr. Brewster.  
 Mr. Summers of Texas with Mr. Wigglesworth.  
 Mr. Boylan with Mr. Rutherford.  
 Mr. McMillan with Mr. Fish.  
 Mr. Turner with Mr. White of Ohio.  
 Mr. Miller with Mr. Carter.  
 Mr. Owen with Mr. Dirksen.  
 Mr. Gasque with Mr. Jarrett.  
 Mr. Disney with Mr. Hancock of New York.  
 Mr. Arnold with Mr. Shafer of Michigan.  
 Mr. Johnson of Oklahoma with Mr. Douglas.  
 Mr. Richards with Mr. Oliver.  
 Mr. Schuetz with Mr. Culkin.  
 Mr. Taylor of Colorado with Mr. Hull.  
 Mr. McClellan with Mr. Cole of New York.  
 Mr. Romjue with Mr. Jenkins of Ohio.  
 Mr. Thom with Mr. Kvale.  
 Mr. Chapman with Mr. Withrow.  
 Mr. Schulte with Mr. Johnson of Minnesota.  
 Mr. Creal with Mr. Lemke.  
 Mr. Fernandez with Mr. Bernard.  
 Mr. West with Mr. Kloeb.  
 Mr. Allen of Louisiana with Mr. Wene.  
 Mr. Edmiston with Mr. Ryan.  
 Mr. Hennings with Mr. Barry.  
 Mr. O'Malley with Mr. Sweeney.  
 Mr. Williams with Mr. Allen of Pennsylvania.  
 Mr. Pierce with Mr. Claypool.  
 Mr. Sirovich with Mr. Faddis.  
 Mr. Nichols with Mr. White of Idaho.  
 Mr. Patterson with Mr. Bigelow.  
 Mr. Teigan with Mr. Dockweiler.  
 Mr. Bradley with Mr. Quinn.  
 Mr. Transue with Mr. Crowe.  
 Mr. Wood with Mr. Hamilton.  
 Mr. Mead with Mr. Long.  
 Mr. Higgins with Mr. McGehee.  
 Mr. Hildebrandt with Mr. Brooks.  
 Mr. Scrugham with Mr. Pace.  
 Mr. Dempsey with Mr. Smith of West Virginia.  
 Mr. Luecke of Michigan with Mr. Somers of New York.  
 Mr. Healey with Mr. Clark of Idaho.  
 Mr. Jacobsen with Mr. Lanzetta.  
 Mr. Kelly of New York with Mr. Rabaut.  
 Mr. Mahon of South Carolina with Mr. O'Brien of Illinois.  
 Mr. Merritt with Mr. Patrick.  
 Mr. Murdock of Utah with Mr. O'Neal of Kentucky.  
 Mr. Sheppard with Mr. Ellenbogen.  
 Mr. Peyser with Mr. Sadowski.

Mr. IMHOFF changed his vote from "no" to "aye."

Mr. PETERSON of Georgia changed his vote from "aye" to "no."

Mr. DEROUEN changed his vote from "aye" to "no."

Mr. MAGNUSON changed his vote from "no" to "aye."

Mr. SMITH of Virginia changed his vote from "no" to "aye."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the engrossment and third reading of the House joint resolution.



The House joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The House joint resolution was passed, and a motion to reconsider was laid on the table.

#### FARM-TENANCY BILL

Mr. JONES. Mr. Speaker, I renew my request made earlier in the day to take from the Speaker's table the bill (H. R. 7562) to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. TOBEY. Mr. Speaker, reserving the right to object, and I shall not object, I wish to make a statement in recapitulation of the debate this morning and my remarks therein.

The gentleman from Texas [Mr. JONES] now renews his request, and I shall not object because of the very fair way in which he has approached the matter. He has given us assurance, which is as good as any gold bond, that when in conference the issue of land purchase and sale by the Government develops, before he will concede the point to the Senate he will come back to the House and submit the matter to the House and ask for instructions and will give us an hour's time equally divided on both sides. After conferring with my colleagues on the committee on both sides of the aisle, I feel that this is a fair way of doing things toward our objective of bringing the issue involved before the House for enlightenment, and I agree with him and ask support of his request.

Mr. JONES. That understanding applies to title I.

Mr. TOBEY. That is correct.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none and appoints the following conferees: Mr. JONES, Mr. DOXEY, and Mr. HOPE.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent that on Thursday next, after the reading of the Journal, disposition of business on the Speaker's desk and at the conclusion of the legislative program, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. SNELL. Mr. Speaker, I ask unanimous consent that immediately following the remarks of the gentleman from Montana [Mr. O'CONNELL] on Thursday next, the gentleman from Pennsylvania [Mr. DITTER] may have 15 minutes in which to address the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that I may be permitted to speak for 15 minutes on Thursday next following the remarks of the gentleman from Pennsylvania [Mr. DITTER].

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

#### EXTENSION OF REMARKS

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to place in the RECORD a speech made by myself and our col-

league, the gentleman from Massachusetts [Mr. McCORMACK], on the subject of Nazi activities in the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LAMBETH. Mr. Speaker, I ask unanimous consent to revise the remarks I made in the Committee of the Whole and to include certain tables showing expenditures by departments for public printing and also the use of the franking and free-mail privilege by departments.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article by Howard V. O'Brien.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

#### ADJOURNMENT OVER

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Thursday next.

The SPEAKER. The gentleman from Texas [Mr. KLEBERG] asks unanimous consent that when the House adjourns today it adjourn to meet on Thursday next. Is there objection?

Mr. BOILEAU. Mr. Speaker, reserving the right to object, I would like to know whether or not the gentleman from Mississippi [Mr. RANKIN] has knowledge of this request, because he has been very anxious to preserve the rights of his committee to Calendar Wednesday.

Mr. KLEBERG. I am sure I do not know.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. O'CONNOR of New York. Answering the gentleman from Wisconsin, I may say that the gentleman from Mississippi [Mr. RANKIN] asked me if I thought that Calendar Wednesday might be passed over and I told him I did not think it would be.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none and it is so ordered.

#### NATIONAL EDITORIAL ASSOCIATION

Mr. GREEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, we all fully appreciate the power and usefulness of the press of our Nation. The editorial writers of our Nation are messengers of enlightenment and molders of public opinion. Through their power and influence the destiny of our Nation is largely guided.

One of the most useful organizations in the country is the National Editorial Association. Of particular interest now to the members of this association is where they will meet for their 1938 spring convention or assembly. An invitation to this association will be presented upon the behalf of Florida through Hons. Bob Sites and Charles Helfenstein, of Florida. Both are eminent writers and Florida newspapermen of achievement. The invitation will be offered in Detroit at the meeting of the association on the 21st of this month.

No more appropriate place for the meeting can be found than Florida. No other State in the Union has better facilities for transportation, both to the State and within the State. With its approximately 1,400 miles of seacoast, every coastal city in Florida can be easily reached by water transportation. Rapid air transit reaches it from all parts of the

country. The best railroad transportation facilities in our country are offered by the lines leading into Florida. We have many highways entering our State. Throughout Florida we have a network of the finest paved highways in the world. Railroad facilities are offered to practically every community in Florida.

Florida has the finest beaches in the world and its citrus fruits and vegetables are unexcelled. The finest hotels are there, rates are reasonable, the climate is matchless, and hospitality abounds. It is hoped that the National Editorial Association will accept Florida's invitation to hold its meeting there next spring.

The SPEAKER. Under a previous order of the House, the gentleman from Maryland [Mr. Lewis] is recognized for 1 hour.

#### WHAT IS WRONG WITH THE REVENUE?

Mr. LEWIS of Maryland. Mr. Speaker, in presenting this rather complicated subject today, I am going to take advantage of a suggestion once made by a well-known professor. He said that if you have a public subject to discuss, its elucidation would be aided by presenting it as in answer to four questions: First, What is it? Second, Why is it? Third, What of it? Fourth, What are you going to do about it?

#### I. WHAT IS IT?

Well, sir, the subject concerns our lack of public revenues to meet what we conceive to be imperative expenditures. Why this lack in the most richly endowed country in the world? "Oh, it is the depression and its extraordinary expenditures." I do not consider this the right answer. Other countries, not so richly endowed, like England, have paid their way through this same depression. But the United States expended \$6,605,000,000 during the years 1933, 1934, 1935 to relieve social distress. Well, Great Britain expended \$10,815,000,000 during the same years, in terms of our population, for social relief. And the treasury of England is not in the "red." The British budget rides as securely above the waves of the depression as its men of war ride over the seas.

What, then, is the occasion for our continued deficits? I answer, it is the delinquent taxpayers of the United States. Here is a list:

#### Delinquent taxpayers' list

Repudiation income tax, 1894, 18 years.....	\$1,500,000,000
Exemption public securities.....	2,000,000,000
Exemption employees, officers of counties, cities, States.....	1,000,000,000
Tax exemptions, community property, 8 years.....	200,000,000
Exemption income of companies from State-leased oil lands.....	3,000,000,000
Exemption income from stock dividends, 16 years.....	1,060,000,000
Evasion of surtaxes, 16 years.....	7,000,000,000
Total.....	15,760,000,000

Sir, the above list of delinquent tax payments represents a sum of about \$16,000,000,000, or one-half the net national debt. Consider please, the implications of some of the items. Consider, first, the exemption of non-Federal public employees in the United States who number 2,500,000, who receive aggregate salaries reaching the tremendous total of \$3,250,000,000 yearly, who are not now taxable on their salary income. Second, consider the forty-five billions of Federal and State bonds, the income from a large part of which is not taxed by the Federal Government, and a larger part exempt as against 28 States which have income-tax laws. The bonds exempt represent a sum more than twice enough to build the railways. And third, consider the income of stockholders, distributed to them in the form of stock, nine billions in the last 12 years, income not fully taxed under Federal or State income-tax laws. Sir, the income of public employees and public bonds which goes untaxed, represents the steadiest income throughout the years of the depression. These public bonds more than equal one-third of the outstanding bonds of the country, including public and private bonds.

Mr. Speaker, it is apparent that an immense proportion of the income resources of the United States is not now taxed and is escaping taxation.

#### II. WHY IS IT?

Mr. Speaker, why, indeed, this delinquent list of income resources not exempted in any other income-tax system of the world? How does it come? Is the Congress to blame? No, sir; not ours the guilt. These egregious delinquencies have their origin not here but in the courthouse.

I wish to begin with that most revolutionary decision holding the income-tax provisions of 1894 unconstitutional, the Pollock case (1). The income-tax principle represents the fairest form of taxation. This truth there is none to dispute. Unlike the sales tax, which taxes people according to their needs, the income-tax standard assesses them according to their ability to pay; that is, according as Providence and civilization shall have blessed them. We levied such a tax in our Civil War days, and it was upheld by the Supreme Court as constitutional in a series of cases (2). These Civil War acts, like the income tax of 1894, taxed all types of income—rental from real estate, products of personal property, and the very question of whether the income tax was a direct tax was then considered by the Court and was disposed of favorably to the Government. The Court then thought that the direct taxes contemplated by the framers of the Constitution were capitation taxes and taxes on lands and followed its early decision in the Hylton Carriage case (3), upholding a tax levied on carriages, without apportionment according to population. This also had been the view taken of the Hylton case by such writers and historians as Kent, Story, Cooley, Miller, Bancroft, Pomeroy, Hare, Burroughs, Ordonaux, Black, Farrar, Flanders, Bateman, Patterson, and Von Holst.

Although, Mr. Speaker, the income tax of 1894 was identical with the Civil War acts, upheld formerly by the Court, yet the Court held the tax of 1894 invalid as a direct tax insofar as it taxed the income from real property. The Court also held that the Federal Government could not tax the salaries of county, city, or State employees, or income from public securities held by persons or corporations when issued by any city, county, or State and also announced the doctrine that the salaries of Federal judges could not be made subject to the income tax. On a rehearing of the Pollock case the Court by a 5-to-4 decision not only adhered to its former opinion but also held that the tax was invalid as a direct tax insofar as it taxed the income of personal property.

Sir, because of this nullifying decision, the United States alone among the great countries of the world was condemned to go without an income tax for 18 years. As a result the Government during this period, even under the small income tax levied by the act of 1894, lost in revenue at least \$1,500,000,000. This loss of revenue cannot be laid to the door of Congress in passing the statute. Congress was legislating within its constitutional power to levy and collect taxes and following the Court in enacting the Income Tax Act of 1894. In pointing out the disastrous effect of outlawing the act, Mr. Justice White, dissenting, said:

Thus, from the change of view by this Court, it happens that an act of Congress, passed for the purpose of raising revenue, in strict conformity with the practice of the Government from the earliest time and in accordance with the oft-repeated decisions of this Court, furnishes the occasion for creating a claim against the Government for hundreds of millions of dollars.

And in a dissenting opinion upon reargument he added:

It is, I submit, greatly to be deplored that, after more than 100 years of our national existence, after the Government has withstood the strain of foreign wars and the dread ordeal of civil strife, and its people have become united and powerful, this Court should consider itself compelled to go back to a long-repudiated and rejected theory of the Constitution, by which the Government is deprived of an inherent attribute of its being, a necessary power of taxation.

Mr. Speaker, Members of the House, I ask you: Was this conservative judicial action? Was it liberal judicial action?



It was not judicial action at all. It was an act of bald usurpation only, through which a bare majority of the judges, repudiating the Court's former unanimous decisions, added the following prohibitions to the Constitution. To Congress they said:

(1) Thou shalt not oblige Federal judges to include their salaries as a part of their income in computing their income tax.

(2) Thou shalt not oblige the owner of any bonds issued by a county, municipality, or State to include in his income the interest he receives from any such security.

(3) Thou shalt not oblige the employee or officer of any county, municipality, or State to include in his income his salary, however great the salary.

And to the 48 States this 5-to-4 tribunal has issued the following enjoiner:

(4) Ye States shall not oblige any of your resident citizens to include his salary as an officer or employee of the Federal Government as a part of his income.

(5) Ye shall not oblige the owner of any bonds, issued by the Government to include as part of his income the interest he receives from any such bonds.

Sir, no king in history that I know of has ever had his revenues placed under such restrictions, however great the revolt against his rule.

#### REPUDIATION OF SIXTEENTH AMENDMENT

Yet, sir, the people bowed to this ruling; this 5-to-4 outlawry of a governmental power repudiating the Court's former decisions, and proceeded to secure the ratification of a constitutional amendment to overcome the ruling. It required 18 years. Their amendment read as follows:

The Congress shall have power to lay and collect taxes on income from whatever source derived, without apportionment among the several States.

The ratification of this, the sixteenth amendment, was a clear repudiation of the Pollock decision. It provided that Congress could tax income from whatever source derived without apportionment. It was to save the necessity of going back in any case and looking at the source from which such income was derived, thereby giving the Congress the power to tax all income, regardless of its source.

#### JUDGES EXEMPT THEIR SALARIES

Mr. Speaker, unfortunately, one of the first cases involving the amendment related to the taxation of the income of a Federal judge. In this case the judges themselves were financially interested, for a decision would also affect the taxability of the salaries of the Supreme Court judges. Yet they sat. They need not have done so, if they had followed precedent—I refer to the example of Justice Taney, who wrote a letter to the Secretary of the Treasury complaining about the income tax of the Civil War Acts, and stating that this was the only way in which the matter could be brought to the attention of the proper authorities, as the Court itself could not pass upon a question which directly affected the judges themselves. But subsequent members of the Court did not show the same delicacy, nor did five of them show any hesitancy in deciding the question in their own favor. This was in the Evans case (4). The Court held, in spite of the language of the sixteenth amendment giving the Congress the power to tax income "from whatever source derived", the amendment did not include Federal judges.

This was sheer nullification of the sixteenth amendment, and exempted them from paying, as citizens, their just tax on their income.

Mr. Justice Holmes, dissenting, disposed of their arguments. He stated:

I think that the clause protecting the compensation of judges has no reference to a case like this. The exemption of salaries from diminution is intended to secure the independence of the judges, on the ground, as it was put by Hamilton in the *Federalist* (No. 79) that "a power over a man's subsistence amounts to a power over his will." That is a very good reason for preventing attempts to deal with a judge's salary as such, but seems to me no reason for exonerating him from the ordinary duties of a citizen which he shares with all others. To require a man to pay the taxes that all other men have to pay cannot possibly be made an instrument to attack his independence as a judge. I see nothing in the purpose of this

clause of the Constitution to indicate that the judges were to be a privileged class, free from bearing their share of the cost of the institutions upon which their well-being if not their life depends.

And, then, holding such a tax valid, he said:

I do not see how judges can claim an abatement of their income tax on the ground that an item in their gross income is salary, when the power is given expressly to tax incomes from whatever source derived.

Mr. Justice Brandeis concurred with Judge Holmes.

Sir, despite 18 years of sacrifice of just and necessary revenue and the labor the Nation and State have expended to amend the Constitution, the Court, in the Evans case, replied, in effect: "The sixteenth amendment to the Constitution in this Court henceforth shall read as follows: 'The Congress shall have power to lay and collect taxes on income from whatever source derived, except from the income of judges of the United States, which shall be exempt.'"

Ladies and gentlemen, we are held responsible, and justly so, for the acts of Congress; and that responsibility is determined by looking at the "aye and nay" votes. Who among the present members of the Court voted "aye" and who voted "nay" in the case of Evans against Gore.

McReynolds, "aye"; Brandeis, "nay."

#### EXEMPTION OF STATE OFFICERS AND EMPLOYEES

Mr. Speaker, again in spite of the express language of the sixteenth amendment, giving the Congress the power to tax incomes from whatever source derived, the Court has prevented the Congress from taxing the salaries of employees and officers of counties, cities, and States if such officers and employees are engaged in what the Court determines to be an essential governmental function. I cannot refrain at this point from again referring to the crushing logic of Justice Holmes in the Evans case:

To require a man to pay taxes that all other men have to pay cannot possibly be made an instrument to attack his independence as a judge.

By the same token, to require officers or employees of such counties, cities, or States to pay the same tax on their salaries applied to all other citizens cannot interfere with the functioning of a State.

The number of such employees is reported as 2,500,000, while the Federal list is given as 800,000, excluding soldiers and sailors. The loss of this immense revenue lies at the door of the Supreme Court in disregarding the express language of the sixteenth amendment. Conservative estimates place the loss at at least \$1,000,000,000, computed from 1913, the date of the first income-tax act under the sixteenth amendment.

Actually, as Mr. Brabson says, the effect has been to create a favored class of people who in many cases contribute nothing to the support of the Government which directly or indirectly gives them their employment. He quotes from Mr. Pegler:

The Governor of New York, for example, heads a long list of high-salaried public officials who do not have to pay any tax on their public salary. The Governor gets \$25,000 a year, a figure which would make a marked man of him if he were working for a private employer. The Lieutenant Governor at \$10,000 a year enjoys the same immunity, and so do the judges of the court of appeals, the appellate division, the supreme court, the court of claims, the court of special sessions, and the surrogates.

These learned and public-spirited ornaments of the State government draw from \$15,000 to \$22,500 a year and keep it all, whereas a single-handed clerk or mechanic employed by a business firm at \$150 a month is expected to shower down to both National and State Treasuries. The members of the New York Legislature receive \$2,500 a year, or roughly twice as much for their part-time work as the taxpaying \$100 a month, but they, too, are constitutional officers and therefore exempt.

Mr. Brabson continues:

Strangely enough, the widespread character of these exemptions and the extent of the loss in the Federal revenue is not generally appreciated. It is very doubtful if the average taxpayer in New York City, for example, has the least idea of how many of his fellow citizens with substantial incomes are exempted from contributing one cent directly to the support of the Federal Government.

Mr. Brabson presents a table—inserted in the appendixes—in which he calls attention to the serious fact that



the percentage of taxable returns has fallen from 26 to the 1,000 of population in 1917, to 14 in the year 1935.

Interpreting the table, Mr. Brabson says:

If we examine the above figures carefully, we find that the ratio of nontaxable incomes to taxable incomes in the United States is appalling. For example, we have upon authority of the Bureau of Labor Statistics that in 1933 there were approximately 41,000,000 persons gainfully employed in the country. Add to that 10,000,000, the number, by conservative estimate, who are not employed but received income from various sources. The total is 51,000,000 subject to tax. Out of that total of potential taxpayers in 1933 we find that less than 2,000,000 actually paid any Federal income tax; that is, only 1.39 percent of our citizens are paying a direct tax in support of the Federal Government.

The question of what is an essential governmental function, according to the Court, cannot be stated in terms of universal application. For this reason the Law Reports are filled with decisions resulting in confusion and enormous administrative expense to the Treasury. The decisions of the Court itself are not consistent. In the Flint case (5) the Court held that the supplying of water by a city was not a governmental function. In the Brush case (6) the Court held that the supplying of water was a governmental function.

#### ORIGIN OF SOVEREIGNTY FICTION

Mr. Speaker, why this courthouse exemption of public salaries, despite the specific declaration of the sixteenth amendment; well, the courts still hark back to a century-old decision to exempt such officeholders and the income from public bonds. They unjustly attribute their conclusion to the authority of Judge Marshall.

"The power to tax is the power to destroy," said Judge Marshall. But when did he say it, and what was the subject before the Court? The judge said this in 1819, nearly a century before the adoption of the sixteenth amendment. And what kind of a tax was he considering? Was it a necessary tax laid impartially on all? Certainly not. It was a discriminating tax designed to obstruct the Treasury operations of the Government, and not to secure revenue.

Mr. Speaker, we are all familiar with the bitter struggle which attended the establishment of the first United States Bank, judged necessary to the functioning of the Government. In 1816 its charter was renewed. It was authorized to issue bank notes which should be legal tender in payment of Government debts, and to establish branches. It established such a branch in Baltimore. Now, sir, the old privilege enjoyed by private banks of issuing notes which functioned as a paper currency was a highly profitable privilege. Private bankers within the States opposed these Federal bank branches with their crowning advantage of issuing such legal-tender currency. To the State legislature these disappointed bankers went and secured the passage in 1818 of the following act:

*Be it enacted by the General Assembly of Maryland, That if any bank has established, or shall without authority from the State first had and obtained, establish any branch, office of discount and deposit, or office of pay and receipt, in any part of this State, it shall not be lawful for the said branch office of discount and deposit, or office of pay and receipt, to issue notes in any manner, of any other denomination than \$5, \$10, \$20, \$50, \$100, \$500, and \$1,000, and no note shall be issued except upon stamped paper of the following denominations; that is to say, every \$5 note shall be upon a stamp of 10 cents; every \$10 note upon a stamp of 20 cents; every \$20 note upon a stamp of 30 cents; every \$50 note upon a stamp of 50 cents; every \$100 note upon a stamp of \$1; every \$500 note upon a stamp of \$10; and every \$1,000 note upon a stamp of \$20, which paper shall be furnished by the treasurer of the western shore, under the direction of the Governor and council, to be paid for upon delivery: *Provided always*, That any institution of the above description may relieve itself from the operation of the provisions aforesaid by paying annually, in advance, to the treasurer of the western shore, for the use of the State, the sum of \$15,000.*

Sir, it is obvious that the act was intended to drive the United States branch bank out of Baltimore, and that the act was not intended to raise revenue for the State.

Said Daniel Webster, in discussing the act:

The sum called for is not assessed on property nor deducted from profits or income. It is a direct imposition on the power, privilege, or franchise of the corporation.

The act was not applied to banks generally, but only to banks not chartered by the State of Maryland. Its applica-

tion to the United States bank and its branches in that day was just what its application would be today to the Federal Reserve banks, a direct assault on the operation of a Government function. What else could Marshall have done? The State banks were endeavoring, in 1818, to do to the United States banks just what the Government found it necessary to do later to issues of bank-note currency by the private State banks, with its 10-percent tax, namely, tax such currency to death.

#### EXEMPTION OF INCOMES—PUBLIC BONDS

I shall now discuss the losses of revenue resulting from the Court's exemption of income-tax payers from the inclusion in their taxable income of income they secure from interest on county, city, or State bonds. It is estimated that the loss of revenue from this source (1913-37) amounts to at least \$2,000,000,000.

How comes this exemption? Well, sir, despite the sixteenth amendment the Court has held that the Federal Government has no authority "to lay and collect taxes upon income from whatever source derived", if the source was a county, city, or State.

Mr. Speaker, may I say that the present Chief Justice, whose great ability inspires the respect of his countrymen of all classes, had himself pronounced judgment on that subject. He was Governor of the State of New York when the income-tax amendment was submitted for ratification to the States. What did he say? Speaking specifically of the income from county, municipal, and State securities, Governor Hughes in his message of January 5, 1910, declared:

It is certainly significant that the words "from whatever source derived", have been introduced into the proposed amendment as if it were the intention to make it impossible for the claim to be urged that the income from any property, even though it consist of the bonds of the State or of a municipality organized by it, will be removed from the reach of the taxing power of the Federal Government.

The Court's latest pronouncement on this question was in the Ashton case May 25, 1936, in which the Court said (7):

Notwithstanding the broad grant of power "to levy and collect taxes, our opinions here plainly show that Congress could not levy a tax on the bonds issued by respondent or upon income derived therefrom."

This decision created a class of tax-exempt citizens and securities which runs into the billions. Here again, sir, the sixteenth amendment has been "altered" to read:

Congress shall have power to lay and collect taxes on income from whatever source derived: *Provided, however*, That the salaries of employees or officers of city, county, or State shall not be included as a part of their income, nor shall the interest derived by any citizen or corporation from any bond of any county, city, or State be included in his income for the purpose of taxation.

Mr. Speaker, it is a favorite maxim of the courts that men must be held to intend the natural consequences of their acts. If this be so as to judges, as it is to us, who are the judges who pronounced this judgment vetoing in effect the higher brackets in the income-tax law as applied to the swollen incomes of the country. Let us read the yeas and nays of this Ashton case.

Yeas—McReynolds, Sutherland, Hughes, Butler, Roberts, Van Devanter.

Nays—Cardozo, Brandeis, Stone.

The facts force the statement that a majority behave as if they had entered the lists for the vendetta against the income-tax principle declared by Justice Field. Hear him in the Pollock case:

The income-tax law under consideration is marked by discriminating features which affect the whole law. It discriminates between those who receive an income of \$4,000 and those who do not. . . . Where is the course of usurpation to end? The present assault upon capital is but the beginning. It will be but the stepping stone to others, larger and more sweeping, until our political contests will become a war of the poor against the rich; a war constantly growing in intensity and bitterness.

This defiance of the sixteenth amendment provides large incomes with an election to veto the higher tax rates when applicable to them. Would the public budget maker of any other country submit to such vetoes of his tax measures after approval by the legislative authority? How about the



British Premier? Can the resident of England slip his investments into colonial bonds to escape the payment of income taxes? Will any British judge assume to stay the arm of the British collector for such a purpose? What should happen to the British budget if he did? Nay, rather, you ask, What would happen to the British judge? He knows too well that he would find himself the scorn of Democrats and Tories throughout the Empire, his office vacant, too, and his judicial robes torn from his back.

#### OKLAHOMA STATE LEASE CASES

Sir, a most important example of the misuse of the State sovereignty fiction is shown in the Coronado Oil and Gas Company case (8). In that case lands granted by the United States to the State of Oklahoma for the support of common schools and dedicated to that purpose by the State constitution were leased by the State to a private company for extraction of oil and gas, the State reserving a part of the gross production, the proceeds of which were paid into public-school fund, and the lessee taking the remainder. The Supreme Court held that under this lease the Coronado Oil & Gas Co. was an instrumentality of the State exercising a governmental function and that the Government had no right to tax the income derived through the lease. This was true, the Court concluded, although the income received by the private corporation did not inure to the benefit of the State but inured entirely to the benefit of the private corporation. It bootied not that the corporation entered into this lease for its own profit in a purely private business undertaking. Mr. Justice Brandeis pointed out that vast private incomes were being given immunity from State and Federal taxation by this decision. Many of the large corporations of the country have been leasing State lands which contain minerals and have made enormous profits. It is certainly unnecessary and unjust to exempt, Justice Brandeis points out, this vast private income from taxation. The decision resulted in discrimination against competing corporations and it has been estimated has already cost the Government almost \$3,000,000,000 in revenues. (C.)

#### COMMUNITY PROPERTY EVASIONS

Mr. Speaker, we are all familiar with a clause in our Constitution most fundamental to the existence of the Union. It is the clause granting supremacy to the Federal statute in case of a conflict with a State act or even a State constitution. It reads as follows:

The Constitution and the laws of the United States . . . shall be the supreme law of the land; . . . anything in the constitution or laws of any State to the contrary notwithstanding.

The Constitution also provides that all—

Excises (income tax) shall be uniform throughout the United States.

Mr. Speaker, the Congress, in its income-tax law of 1926, provided a schedule of rates which was impartially uniform as to the incomes of its citizens. This statute came into conflict with contentions set up under State laws, and the Court in disregard of both the supremacy and uniformity requirement of the Constitution gave supremacy to the tax-evading contentions under the State law. I refer to decisions relating to "community-property" income.

A married Member of Congress with no dependents, from any one of 40 of the States, whose total net income consists of his salary, \$10,000, would deduct an exemption of \$2,500, and under the present law pay an income tax of \$415. But in disregard of both the rule of supremacy and the rule of uniformity, the Court majority has held that if he comes from any one of eight States in the Union that have an inherited peculiar Spanish or French law applicable to married persons, he can split his return and attribute one-half of his salary to his wife, so that each will have an income of \$5,000. When they both deduct their exemptions, each of them will pay \$130, that is a total of \$260, or \$155 less than his colleague from Virginia. The eight States are as follows: Washington, New Mexico, California, Arizona, Texas, Idaho, Louisiana, and Nevada. What the Congressman may do with his salary in those eight States, may be done, because of these Court interferences, by any salaried married man in such States not merely as to his salary but to all his income, though it

runs into the millions. And here, sir, are some further examples of the discrimination:

Business	Net income	Tax in the 40 States	Split tax return in the 8 States	Saving by splitting tax return
Physicians, lawyers, editors, authors.	\$10,500	\$458	\$278	\$180
Railway presidents.	52,500	9,664	6,028	3,616
Presidents, large corporations.	102,000	33,944	19,288	14,656
Movie actors.	202,500	96,944	67,888	29,056

Commenting generally on the abuse of splitting of income-tax returns by husband and wife in all the States the Secretary also stated:

It is evident that this situation is the direct cause of numerous transfers, sales, assignments, and other arrangements between husbands and wives which have no real basis and are made because of a desire to avoid income taxes otherwise due. For example, property which has appreciated in value is transferred to the spouse who can sell it with the least tax liability. Again, property which has depreciated in value is transferred to the spouse with the larger income, in order that he may realize the greatest benefit from sale at a loss. Moreover, the present law encourages sales by one spouse directly to the other, and the courts are presented with the difficult and even impossible problem of determining whether such sales were bona fide or fraudulent. In the most notorious recent case, the jury acquitted the husband from a criminal charge in such a situation. The income taxes which the husband sought to avoid in this manner amounted to over \$1,000,000.

Well, Mr. Speaker, the Government attempted in a series of cases to apply its tax uniformly as required by the Constitution and force the spouse earning the income or having the beneficial control of it to report it for tax purposes, and the matter was carried to the Supreme Court. In the Poe case and others (9) the Court ruled against the Government and gave supremacy to the State law for these tax evaders of the Federal Constitution and income-tax statute. The Court said that the Federal statute, which taxed the "net income of every person" taxed the income as determined by State law though the compensation was earned by the spouse the Government was trying to tax; though the Court admitted that under the State law he could deal with it practically as his own. In the Hopkins case the Court said in referring to the Texas laws:

They provide, as is usual in States having the community system, that the husband shall have power of management and control such that he may deal with community property very much as if it were his own.

The income-tax law justly requires the spouse earning such income to return it as his own. In no other way could the income-tax liability of earners of income be made uniform throughout the United States. I feel that the Court's decisions violate both the statute and the Constitution. The Court rulings have already resulted in a loss of revenue of over \$200,000,000.

#### EXEMPTION OF STOCK DIVIDENDS

Speaking of loopholes, Mr. Speaker, the loophole opened by the Eisner decision is a loophole big enough to swallow the Bank of England. It is, besides, the monstrous mother of all the great loopholes which your committees are now investigating, in an effort—and I hope not a vain effort—to save the just and essential revenues of the United States.

Ladies and gentlemen, suppose yourselves as members of the Ways and Means Committee and a case like this were presented: A lawyer has been working for a realty company for a year, which owes him, say, \$2,500 for his services. At the end of the year the company's president persuades the lawyer to take payment of his fee by way of a deed for one of its lots for which it paid \$2,500. Would you say that the value of the lot should not be counted as part of the attorney's income for that year?

Or suppose a case of another corporation which owed its attorney \$5,000 for services and elected, with his consent, to make payment by assigning him 50 shares of its stock having the market value of \$5,000. Would you not feel that the market value of this stock should be counted in the income of the attorney? There can be but one answer to this question. The Ways and Means Committee gave that answer when it provided that such payments of income by way of property transfer should be considered as part of the taxable income.



Now, let us suppose, as members of the committee, you found that sometimes in corporate financing the stockholders preferred to take their dividends in the form of paid-up stock leaving the cash itself in the company treasury for extension of the plant. What would be your disposition? You probably would not wish to deny the stockholders and the corporation this method of securing additional capital; but certainly you would not feel disposed to say that this method of paying the dividend should excuse the profiting stockholder from including this actual earned income as part of his income for taxation. You would say that the shareholder should be treated just as you had treated the lawyer in the above examples, just as the member of a partnership, as to undistributed profits; and that the value of the property received be entered as a part of his taxable income.

Well, Mr. Speaker, preposterous as it seems to common sense, the processes of courthouse ratiocination reached a different conclusion as to stock dividends. The Court held in the case of *Eisner against Macomber* that stock dividends representing distributable net income retained by the company should not be accounted as income as to the stockholder; that is, should not be subject to income taxes in his hands, unless and until the stocks were sold by the stockholder (10).

Following the decision (1920), as we need not be surprised, corporations in the United States in 1922 issued \$3,348,050,000 in stock dividends (about the same as in cash dividends), nearly a billion of which sum represented dividend income of the Standard Oil Companies. In the years 1922-34 such stock dividends, amounting to \$9,631,207,000 have been issued, on all of which the shareholders have escaped paying their surtaxes as individual members of society.

#### WHAT DO THE BRITISH DO IN SUCH CASES?

Mr. Speaker, in other countries like Great Britain the income or profit need not be distributed to the stockholder or be in coin of the realm. If earned for the shareholder, it is taxed as if earned by a partner in a partnership, and why not? The amendment does not provide that the income must be in cash. Congress properly—I should add wisely—provided the real income of the citizen should be considered. This income may take many and varied forms. One of the forms it has taken is the distribution of income by a corporation to its stockholders, of their profits, in the form of paid-up stock in place of the cash.

Well, sir, the Court in the *Eisner* case, by a 5-to-4 decision, held that dividends received in such paid-up stock were not income. This decision has cost the Government a loss of \$1,060,000,000. I leave further comment to Justices Brandeis and Holmes. Mr. Justice Brandeis in his dissenting opinion said:

If stock dividends representing profits are held exempt from taxation under the sixteenth amendment, the owners of the most successful businesses in America will, as the facts in this case illustrate, be able to escape taxation on a large part of what is actually their income. So far as their profits are represented by stock received as dividends, they will pay these taxes, not upon their income but only the income of their income. That such a result was intended by the people of the United States when adopting the sixteenth amendment is inconceivable. In terse, comprehensive language, befitting the Constitution, they empowered Congress "to lay and collect taxes on incomes, from whatever source derived." They intended to include thereby everything which by reasonable understanding can fairly be regarded as income. That stock dividends representing profits are so regarded, not only by the plain people but by investors and financiers, and by most of the courts of the country, is shown beyond peradventure by their acts and by their utterances.

And note the terse statement of Mr. Justice Holmes:

The known purpose of this amendment was to get rid of nice questions as to what might be direct taxes, and I cannot doubt that most people not lawyers would suppose when they voted for it that they put a question like the present to rest. I am of opinion that the amendment justifies the tax.

But mark you, in order to reach its 5-to-4 conclusions the majority had to reverse a full Court judgment in the case of *Collector v. Hubbard* (12 Wall. 1) where the Court upheld the right of Congress, under the Civil War Income Tax Acts, to tax a stockholder's interest in the accumulated earnings of the corporation prior to the declaration of the dividend. The

Court, reversing itself, now holds in the *Eisner* case that its decision in *Collector against Hubbard* must be regarded as being overruled by its decision in the *Pollock* case holding the income tax of 1894 unconstitutional. But the people expressly overruled the *Pollock* case by the adoption of the sixteenth amendment. Because of the *Eisner* case many of our wealthy individuals tie up their income in corporations and thus avoid the payment of the surtaxes due, or take their dividends in paid-up stock—that is, stock dividends—and thus avoid the higher brackets. By preventing us from taxing this income to the shareholder, when earned by the corporation, the Court has diminished the revenues of the Government by at least \$7,000,000,000.

#### EVASION OF SURTAXES

Ladies and gentlemen, one of the most vicious forms of tax evasion has been the accumulation of surplus in corporations controlled by such taxpayers under the *Eisner* case in order to avoid the payment of their just shares of surtaxes. All this in virtue of the *Eisner* case. I quote from the President's message of March 3, 1936:

The accumulation of surplus in corporations controlled by taxpayers with large incomes is encouraged by the present freedom of undistributed corporate income from surtaxes.

This method of evading existing surtaxes constitutes a problem. The Treasury estimates that during the calendar year 1936 over 4½ billion dollars of corporate income will be withheld from stockholders. In 1 year alone the Government will be deprived of revenues amounting to over \$1,300,000,000 \* \* \*

Now, Mr. Speaker, if the Court would enforce our tax on these undistributed earnings of shareholders like we tax the partners on their undistributed shares of the profits of the partnership, we would not have this problem of tax avoidance. They do not have it in Great Britain, in France, and other countries. But neither do they have meddling courts to "run amuck" with the revenues. Is there anything in the Constitution that prevents the Congress from taxing undistributed dividends as it taxes undistributed profits of members of partnerships? There is not. In fact, under the same Constitution which we have today and had before the sixteenth amendment, the Supreme Court held in the *Collector Case* that this could be done.

Why does a man incorporate his yacht, putting his income, property, all his shares, and the like into the control of a yacht corporation? Why does he do it? Under the *Eisner* case such income will all be paid to the yacht corporation. The yacht corporation, of which he is president, and the rest of his family, the stockholders, will simply distribute back in salaries to the president and subofficials as much of his income to the family, during the year, as he finds desirable. Meanwhile the undistributed income escapes taxation under the higher brackets. Here is a circular, Forty-seven Ways to Save Taxes, issued by specialists in taxation, and most of those loopholes are loopholes traceable to the Court's decision in *Eisner against Macomber* (10).

#### GIFTS IN CONTEMPLATION OF DEATH AND IN AVOIDANCE OF ESTATE TAXES

You know we have such an institution as an estate tax. It is certainly a very liberal one in the lower brackets. Not until the estate reaches \$50,000 is any tax whatever imposed. In order, however, to avoid the estate tax under the higher brackets, scheming individuals were engaged in the practice of making gifts to their families. Anticipating their deaths, they made gifts to their heirs and thus escaped the estate taxes.

Very well. Congress filled that loophole with an act providing that where the gift was made within 2 years of the death of the decedent there should be a presumption that it was made in contemplation of death and that the estate tax should apply. What had been the practice of other governments? Just the same as this of ours. Our administration found that with respect to those gifts made in actual contemplation of death, without the help of this 2-year presumption, the testimony as to the decedent's purpose, his condition, his prospects of life, was all locked up with his family and family doctor; and I am told that in those contests the Government never succeeds in winning more than about 5 percent of the controversies. The British lawmaker, facing the same problem that we have to face,



met that situation by passing a law creating a presumption that any such gift, made within 3 years of the actual death of the decedent, should be treated as a gift made in contemplation of death; so that the estate taxes should become applicable. Did we have the same power to pass that act and for the same purpose, that the British House of Commons enjoys? Certainly. Our acts were perfectly constitutional. It is the decisions of the courts that are unconstitutional.

England requires all gifts made within 3 years prior to death to be subject to her estate duty. But the Supreme Court said our 2-year act violated the due-process clause of the fifth amendment. The argument was that to levy a tax upon an assumption of fact which the taxpayer was forbidden to controvert was arbitrary and unreasonable. Well, a man is presumed to know the law. Suppose he does not. Is he allowed to dispute the presumption? In fact, this provision was a necessary measure to prevent tax avoidance and is a reasonable exercise of the power to lay taxes. To prevent us from taking steps to overcome avoidance of our taxes is an arbitrary interference by the Court with the power granted to levy taxes. And, since tax experts have explained to their clients that this conclusive presumption has been nullified, our "contemplation of death" provision can be avoided with ease. This decision has cost us about \$8,000,000 and will probably cost us considerable more in the future. The Court has thus denied the right of both Government and States to protect their estate-tax revenues by such provisions, claiming that they violate the due-process clause of the fourteenth amendment (11). Mark the entry of old "due process" again, the courthouse Sanson of nullification, whose versatile ax is always handy when privilege demands the head of an offending statute.

#### INJUNCTIONS AGAINST COLLECTION OF TAXES

Mr. Speaker, on top of all this destructive attack on our legislative functioning with respect to taxation, comes a flagrant attack on the executive functioning by misuse of injunctions against its collection of the taxes, and in defiance of a necessary statute, as was well stated by Mr. Justice Miller in the famous Cheatham case (12).

If there existed in the courts, State or National, any general power of impeding or controlling the collection of taxes or relieving the hardship incident to taxation, the very existence of government might be placed in the power of a hostile judiciary.

But, sir, no such anticipatory interference by the courts is necessary; the internal revenue laws give the taxpayer the right to sue for a recovery of a tax after payment, if he believes it not justly due.

Yet the courts still insist, in many cases in defiance of statute, in also giving him a suit to prevent collection of the tax, thereby creating an unfair situation as to taxpayers generally and also thwarting the collection of the Government revenues.

This injunctive interference is in violation of an act enacted in 1867 still on the books. It reads as follows:

#### REVISED STATUTES, SECTION 3224

No suit for the purpose of restraining the assessment or collection of any tax shall be maintained in any court.

The reason for this statute is that, as courts are without authority to equalize taxes or to make assessments, such suits would enable those liable for taxes in some amount to delay payment or possibly to escape their lawful burden, and so to thwart the collection of revenues.

Nevertheless this is what the Court is doing and inspiring the lower courts to do. In the Pollock case the Court permitted Pollock, a common-share holder of the Farmers' Loan & Trust Co., to maintain an action to restrain the Farmers' Loan & Trust Co. from paying the income tax assessed against it. Mr. Justice White pointed out that the Court should not permit the Federal statute to be thus evaded in a subterfuge suit between a corporation and a stockholder. Yet the Court did, and is even extending the practice to permitting preferred shareholders to maintain such an action (13). The collection of our first income tax, under the act of 1913, was hampered by the Court permitting a stockholder to bring such an action to challenge its valid-

ity (14). And having decided to disregard this Federal statute by indirection, the Court then proceeded to disregard it directly by even permitting certain taxpayers themselves to maintain such a suit. I refer to the Miller and Hill cases (15) sustaining the lower courts in injunctions preventing the collection of taxes. It was Mr. Justice Stone, in his dissenting opinion in the Oleomargarine case, who said:

In my opinion, R. S. 3224, which says that "No suit for the purpose of restraining the assessment or collection of any tax shall be maintained in any court", cannot rightly be construed as permitting the present suit, whose sole purpose is to enjoin the collection of a tax. Enacted in 1867, this statute, for more than 60 years, has been consistently applied as precluding relief, whatever the equities alleged.

How much more equitable it would have been if the Court had required all the processing taxes to have been paid into the Federal Treasury. We could then have avoided the windfall tax and allowed refunds to those justly entitled. This was the procedure the Court adopted in the child-labor cases. Most of the processors would have been glad to pay this money into the Treasury because of competitive conditions, retaining the goodwill of their customers. To a large extent, the present unfortunate situation has been created because of interference by injunctions issued by the courts in defiance of the above statute.

#### III. WHAT OF IT?

And now you ask, my colleagues, "What of it?"

Well, ladies and gentlemen, look at the chart and its \$16,000,000,000 of delinquent revenue.

#### Loss in Federal revenue because of Supreme Court decisions

Repudiation of the income tax.....	\$1,500,000,000
Exemption of State securities.....	2,000,000,000
Exemption of State officers and employees.....	1,000,000,000
Community property-tax exemption.....	200,000,000
State lease cases.....	3,000,000,000
Exemption of stock dividends.....	1,060,000,000
Evasion of surtaxes.....	7,000,000,000
Statute of limitation cases.....	11,000,000
Foreign tax credits to foreign political subdivisions.....	2,000,000
Exemption of real estate from Federal estate tax.....	5,000,000
Invalidating conclusive presumption as to gifts in contemplation of death (estate taxes).....	8,000,000
Exempting from estate tax trusts in which grantor retained interest.....	25,000,000
Estate-tax decisions of 1935 exempting family trusts.....	25,000,000
Invalidation of Agricultural Adjustment Act.....	1,017,000,000
Total.....	16,853,000,000

The tax situation created by the attitude of the Judicial Department toward the Legislative and Executive Departments cannot be fully commented on in a single address—but one comment forces utterance: "Verily, verily, the income tax is an unloved stepchild in that Court." The hate of Judge Field, father of the "due process" interpolation, the Jeffreys of Social Justice, rests like a blight upon it. The majority judges seem ready to give it a beating for any litigant. The record, I submit, justifies the statement that with regard to the public revenue the Court cannot be regarded as a conservative institution.

#### SUPREMACY OF A CLASS

Mr. Speaker, the most significant fact disclosed by the discussion is that a single class—the courthouse barristers, have assumed complete supremacy over the statutes of State and Nation. They alone can speak unbidden in the courthouse. Is there anybody here who would give such supremacy to a single class? Is there any class wise enough, good enough? Would you give it to the lawyers alone? Why not humanize it with some doctors, and with clergymen, who will insist on talking duties as well as rights—and the engineers, the men who construct and who will count and measure to be sure the machine will work. And would you omit men of business, farmers, and the Nation's workers? Leave it to the lawyers alone—the lawyer "often in error, but never in doubt." Daniel Webster surely was a great lawyer and this is what he thought of his profession.

Accuracy and diligence are much more necessary to a lawyer than great comprehension of mind. \* \* \* His business is to refine, define, split hairs, look into authorities, and compare cases. If he would be a great lawyer, he must first consent to become a great drudge."



If the lawyer a century ago must have been a case drudge, what now, since the cases reported have multiplied by more than 10?

Keep in mind, ladies and gentlemen, that this supremacy in Government has been taken over by the courthouse where only a single class may speak unbidden; only lawyers at the bar or on the bench, only they, may speak unbidden in that forum.

They style themselves "constitutional lawyers", and would make a great mystery, and have made a great mess of our beloved Constitution. It is impossible for me to have confidence in the good judgment even if I do force confidence in its honest intentions. "They cannot be bought", it is said. Certainly not. I do not believe these "sea-green incorruptibles" could be bought with a mountain of gold. But as Woodrow Wilson once said of another class: "They needn't be bought—they already stand bought by their system."

#### LEGAL FICTIONS—REVENUE

Mr. Speaker, when you submit a subject to a courthouse, you invite a wholly different mental reaction from that required of the lawmaker's mind. Let me say there is such a thing as lawyer sense that does not make common sense. In saying that, I intend no sneer at the legal profession. I am a lawyer myself. Assistant Attorney General Jackson, the other day, gave a good illustration of this. He said he was the head of some revenue bureau that desired to know at just what time a man's marriage changed his status for taxation purposes. The question was referred to a brilliant young lawyer in the Bureau. He reported shortly. You may know, we have two legal maxims that lawyers often resort to. One is that the law does not regard a fraction of a day. So the day of the marriage would be out. The second, in giving notice, the day of service is not counted. So the young attorney reported, on that legal reasoning, that the effective marriage of John and Mary did not occur until a day and a night after the wedding. The Attorney General said that he could find no fault with the legal reasoning, but he tore up the opinion.

One hundred years ago Judge Marshall, in Maryland against McCulloch, dropped the following gem: "The power to tax is the power to destroy." That sentence has since become one of our fictions of the law. Now, there is another fiction that each State is a sovereign; the swami of the courthouse accept both fictions literally.

Let me illustrate. The State of Maryland is a sovereign State, it is argued. There you have a beautiful legal fiction built on a half-truth. We all know, however, that no State now a member of the American Union is a sovereign. None of them except Texas has ever been a sovereign, has ever exercised the first attribute of sovereign power, the making of treaties, or the conducting of wars. What is the virtue of these fictions in a courthouse? A tax litigant comes in, the owner of a lot of municipal, county, or State bonds: "You must not count in my income any income I get from these bonds, Mr. Federal Government. If you start taxing my income from these Maryland bonds, maybe you will destroy the sovereign State of Maryland." Now, there is a good example of courthouse sense that is not common sense. To yield supremacy in the Nation to a tribunal made up exclusively of lawyers fills me with a feeling of dismay.

But I would not be misunderstood about lawyers. The lawyer acting as a pilot to steer his clients through the pitfalls of a greatly complicated system of jurisprudence I warmly respect. He is a worthy servant of society, but a lawyer hired to distort and defeat the social will, to plan escapes for marauding clients, I despise.

Are there such clients? Listen to our leading financier, J. P. Morgan, who is quoted as saying: "Taxation is a legal question pure and simple, and not a moral one." Apparently the right of society is to be nothing better than a struggle between the United States and the superlawyers of the wealthy.

#### MIDDLE CLASS VIRTUALLY EXEMPT FROM TAXATION

Mr. Speaker, if we may regard the married couple without dependents as entering the middle class when the net income reaches \$4,000 a year and as emerging into opulence when the net income reaches \$25,000, then so trivial are the

income-tax rates imposed that it is fair to say that the middle class is virtually exempt from these taxes.

I am not one of those who is carried away by the illusion that we can rely on skyscraping rates on the skyscraping incomes or fortunes as a sufficient source of revenue. I have no patience with these Robin Hoods in taxation. Look, if you will, at the skyline of New York. See its skyscrapers jut out like dragons' teeth, 100 stories, 75 stories, 50 stories. That is the visual image you retain of New York; but New York is not a 100-story town, it is not a 50-story town, it is not a 20, not a 10-story town, and if its budget makers had to rely on even skyscraper rates on its skyscrapers for revenue, the schools would close, its firemen would drop their hose, and the police resign. A skyscraper budget will not suffice. We cannot rely on it alone. And why should we? The very rich are not the only debtors to society, even though they are its chief debtors, judged by their often unearned or disproportionate gains from social aid and protection. The middle classes are also debtors and grossly delinquent debtors, too. I know how the \$5,000, the \$10,000 man feels about it. I know he says to himself, unless he is a very thoughtful man, "I earned this \$5,000, this \$10,000 myself, earned it all by my foresight and persistency. It is mine—all mine." The trouble with him is he forgets his big, silent partner—civilization, to whose prodigious aid he truly owes it nearly all—without whose cooperation, if indeed he had survived at all in the forest struggle, instead of a \$5,000 or a \$10,000 income, he would go hungry for his breakfast until he had caught an unwilling fish or trapped a fearsome rabbit. It is not easy, indeed, to fully picture our dependence on civilization in nearly every minute of our lives. Only the rare man, an Edison, a Lincoln, a Woodrow Wilson can render service to pay the debt. A husband and wife without children realizing today an income of \$5,000 a year are getting more out of life than George and Martha Washington did.

I do not say it for approval, but when I measure all the debts I pay, in no instance is the quid pro quo as great as the services I receive through Government and its great gift, civilization. If all my other payments were rewarded as largely as my payment of taxes, in these benefits of civilization, the millionaire would seem insignificant in comparison. [Applause.]

Not self-pity but a little sane counsel is what we need. Perhaps we will take it from Benjamin Franklin—

The taxes are, indeed, very heavy, and if those laid by the Government were the only ones we had to pay, we might more easily discharge them; but we have many others, and much more grievous to some of us. We are taxed twice as much by our idleness, three times as much by our pride, and four times as much by our folly; and from these taxes the commissioners cannot ease or deliver us by allowing an abatement.

To what, sir, do we owe all this, we, ourselves, the \$10,000, the \$5,000, the \$3,000 man? I answer, to social order. And whence, to what do we owe social order? To government which supplies it and sustains civilization as the sun supplies heat and light to its planets.

What is the explanation of the trivial middle-class brackets, when we face an insolvent Treasury? There is such a thing as unconscious class discrimination, and I fear that the human material which composes our Congress has not shown itself fully proof against its subtle temptations. I, myself, belong to the middle class, and wish only to belong to it. If I understand the class, I wish to say that it will not thank its representatives in the Government for favors in taxation secured by putting the Government in peril. Rather would they not repel us with disgust. They know that this is a world of duties as well as of rights, and that their first duty is to maintain the great Government in which we are partners. They know that skyscraper taxation will not suffice. A demagogue may cry "Rights! Rights!" but they know that it is duties valiantly accepted which insure them the benefits of government with the civilization it alone can advance and sustain.

Sir, the middle class must do its part with others. We have big board bills to pay to nature for the drafts we have been making on our natural gifts—a denuded soil; a timberland destroyed; a flooded country to reclaim; ex-



hausted gas and oil domains largely due to the excessive incomes which these decisions of the Court excuse from proper and necessary taxation. How great this bill of debt is to nature which is now demanding payment under penalty of flood and perhaps famine one can hardly guess, but it is not likely to be less than the cost of our highways.

Nor do our obligations cease with such restorative work. There is the great program of social security—a program, I predict, not likely to fall below a half billion dollars annually. Can any payment be longer stayed? Our board bill to Nature has long been overdue. Our duties with reference to social security are pressing ever harder upon us because of industrial vicissitudes; nor is the Federal Government alone concerned. Some 28 States have found it necessary to enter the income-tax field, creating severe problems in double taxation. The slightest contact with this subject of double taxation discloses enormities of injustice against taxpayers in some instances, which no worthy government can permit to continue. In my own view, it has become necessary that taxpayers who do pay their taxes without evasion, should receive remedial consideration, and it is my purpose on a later occasion to bring to the attention of the House a proposal under which the income taxes of the Nation and the States and perhaps some other excise taxes shall be levied as one tax, the proceeds to be shared between the respective States and the Federal Government on some equitable principle.

Mr. Speaker, I challenge the authorities versed in public finance to say how a just and adequate budget can be formed in the United States under the destructive limitations of these decisions. Where is the private financier who would tolerate such interference with his business budget? I appeal to the private financiers of the United States, who have important budgets to form and balance, whether they should undertake their responsibilities if their work after its completion was to be made the subject of such *ex post facto* veto. Suppose that having formed their budgets based upon the necessary predicated prices of their various products, after the expense of production had been incurred and the products delivered to their beneficiaries, it should still lie in the hands of outside parties to determine whether such and such of their debtors should be exempted. What would become of United States Steel Corporation or the Bell Telephone Co. if at any time a junto of legalists had the power, on reasoning which wholly ignored the factors governing the making of their budgets, to thus nullify all duty of payment for large parts of the expenditures involved? Sir, what would become of institutions so irresponsible in other lands, even though they called themselves courts, which should thus destroy the sustenance indispensable to government and social order?

#### IV. WHAT ARE YOU GOING TO DO ABOUT IT?

I confess, sir, as one member of the Committee on Ways and Means, charged with the duty of initiating revenue measures, a feeling of complete discouragement. The Court's revenue decisions make it impossible for me to draft a revenue bill which does not grossly and unjustly discriminate in favor of large classes able to pay, at the expense of other citizens whom I must make pay taxes for both. The recent corporation income tax is an example, for it illustrates to what devices the public financier has been driven by the outlawry of our power to tax earned dividends to the shareholder.

Again, what are we going to do about it? The constitutional amendment cannot be made clearer by constitutional amendment; still it is suggested that we proceed by such a course. If we can get two-thirds here, two-thirds in the Senate, and then get three-quarters of the States, then, according to the suggested amendment, we should be authorized to reverse a decision of the Court declaring an act of Congress unconstitutional provided we could get a two-thirds vote in the House and Senate in favor of such reversal as well. Why not require that the vote be unanimous all around? Does anybody think that under party government, which seems now to be the rule for democracy, two-thirds government is possible in a legislative body? The curse of the country is not government by majorities, but by such one-third minorities—generally mere recalcitrants.

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The next suggestion is one that Hamilton and Marshall both made—namely, that the Congress, like the British Parliament, might reverse a legislative pronouncement of the Court which rendered nugatory one of its statutes.

Sir, a third suggestion is one I now make. It is that the Congress establish courts of the exchequer to pass on all questions of law or fact relating to the internal revenue, with original, exclusive, and final jurisdiction under article III. This is a court well known to the common law, still functioning in England. Our legislative powers to tax are couched in general but in indeterminate phrases whose construction calls for legislative discretion. It is the American court alone that assumes to substitute its views on such general phrases for that of the Parliament. It thinks it is wiser than Congress. It is not wiser. But suppose you act under article III and the court sets your statute aside. Would it be acting with more violence than it has shown in expunging the welfare clause, adulterating the due-process clause, or in exempting themselves and others from payment of income taxes? Suppose it should set it aside; what then? You have at last been brought up exactly to the point which the President had to face—a sure constitutional solution of the problem which courts could not nullify, and that is by a revision of the number of judges. It is by that very method, history shows us, that the House of Lords has been controlled through the centuries, and parliamentary democracy saved in the United Kingdom.

Mr. Speaker, it is apparent that the life of the Government cannot be longer left subject to these destructive decisions. There is no escape from their reconsideration and reversal by the Court. It is the only reasonable course open. The Constitution cannot be made clearer by amendment than it has already been made by amendment. Then we must amend the Court statute. It will be better to amend the Court statute than to allow it to drive us to printing-press money, wreck the public credit, and perhaps wreck the Republic.

Ladies and gentlemen, we must face the issue:

If we would have public employees pay taxes on their income like others, we must reform the Court and reverse *Brush Co. against Michigan*.

If we would have income from public securities taxed like income from private securities, we must reform the Court and reverse *National Life Insurance Co. against United States*.

If we would have those exploiting our gas, oil, and mineral resources under State leases pay their taxes like others, we must reform the Court and reverse the *Coronado Gas Co. case*.

If we would put an end to the unjust discrimination between the income taxes payable by married couples, we must reform the Court and reverse *Poe against Seaborn*.

If the judges are to pay their taxes like others, we must reform the Court and reverse *Evans against Gore*.

If we would have the earned income of stockholders taxed like the earned income of partners and other individuals, we must reform the Court and reverse the 5-to-4 decision in *Eisner against Macomber*, that monstrous mother of loopholes whose depredations have already cost the Treasury more than all its expenditures to meet the depression.

Let that eminent Court reverse these 5-to-4 decisions. It need not be taken as humiliation on its part. Indeed, a spirit of humility is the surest sign of wisdom, as has been displayed often in the history of our own fortunate country. If, Mr. Speaker, they will cooperate with us, if they will reverse these death-dealing decisions on the public revenues, then a future of hope and splendor opens out for the judges, for ourselves, and our country. If they refuse, Mr. Speaker, if they deny to this Congress the powers it needs to exercise, if at a time when, like a half dozen industrialized nations, we are facing the most difficult problems the human family has ever had to face, if still they shall obstruct us in the necessary program now, as a preceding decision obstructed our fathers on the subject of slavery, then the outlook is dread indeed.

Spirit of Washington, save us from such a fate. [Applause.]



## REFERENCES TO CASES CITED

- (1) *Pollock v. Farmers Loan* (157 U. S. 429; 158 U. S. 601).
- (2) *Pacific Ins. Co. v. Soule* (7 Wall. 433).
- (3) *Springs v. U. S.* (102 U. S. 586, 602).
- (4) *Hylton Carriage case* (3 Dallas, 171).
- (5) *Evans v. Gore* (253 U. S. 245).
- (6) *Flint v. Stone Tracy* (220 U. S. 107).
- (7) *Brush v. Commissioner Int. Rev.*, March 15, 1937.
- (8) *Ashton v. Cameron Co. Water Imp.*, May 25, 1936.
- (9) *Coronado Oil & Gas Co. case* (285 U. S. 393).
- (10) *Poe v. Seaborn* (282 U. S. 122).
- (11) *Goodell v. Roch* (282 U. S. 118).
- (12) *U. S. v. Malcolm* (282 U. S. 792).
- (13) *Bender v. Pfaff* (282 U. S. 127).
- (14) *Hopkins v. Bacon* (282 U. S. 122).
- (15) *Eisner v. Macomber* (252 U. S. 189).
- (16) *Schlesinger v. Wis.* (270 U. S. 230).
- (17) *Cheatham case* (92 U. S. 85).
- (18) *Ashwander v. Tenn.* (207 U. S. 288).
- (19) *Brushaber v. Union Pac. Ry.* (240 U. S. 1).
- (20) *Miller v. Standard Nut, etc.* (284 U. S. 509).
- (21) *Hill v. Wallace* (259 U. S. 386).

## APPENDIXES

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## APPENDIX A

## DOUBLE EXEMPTIONS

So extreme and unreasonable has been the attitude of the Supreme Court in this matter, that it declared unconstitutional a provision enacted by the Congress in the Revenue Act of 1921 to prevent the income of tax-exempt securities from having a double effect in reducing income which was taxable even under the decisions of the Supreme Court. I refer to the decision of the National Life Insurance Co., decided June 4, 1928. To understand that case, it should be remembered that the system of taxing income of life-insurance companies was completely revised in 1921 by a plan based upon an agreement entered into between the Government and insurance companies and made applicable to the Revenue Act of 1921 and subsequent years. Under this plan life-insurance companies were not taxable upon all of their income, but only upon their income from interest, dividends, and rents. The principal concession made by the companies under this plan was in regard to the treatment of tax-exempt interest. To show how the plan works out I am presenting an actual case showing the computation both under the statute and under the Supreme Court decision.

## Computation under Federal Income Tax Act of 1921

Income:	
Tax-exempt interest.....	\$1,000,000
Dividends, rents, and other income.....	2,000,000
Total income.....	3,000,000
Deductions:	
Miscellaneous.....	100,000
Tax-exempt interest.....	1,000,000
Four percent of mean of reserve <sup>1</sup> in excess of tax-exempt interest (\$2,400,000 less \$1,000,000).....	1,400,000
Total deductions.....	2,500,000
Taxable net income (income less deductions).....	500,000

<sup>1</sup> Mean of reserve funds required by law, \$60,000,000.

It will be seen that under this computation the taxpayer having secured one deduction for the tax-exempt interest is not entitled under the law as enacted by Congress to use such interest again in computing the deduction based upon 4 percent of the mean of the reserve. However, the Supreme Court has held that it is unconstitutional to deny the taxpayer this double deduction. Under the Supreme Court decision, the taxpayer would get the entire 4 percent of the mean of the reserve as a deduction, namely, \$2,400,000, and, therefore, instead of having a taxable

income of \$500,000 would actually have a loss of \$500,000. The effect of this decision is to allow the taxpayer to reduce his taxable income by the amount of this tax-exempt interest, something which the Congress strongly opposed and did its utmost to prevent. It is very difficult to follow the reasoning of the Court in this case, especially when the Court in any number of cases has pointed out that deductions from gross income are a matter of grace to be allowed entirely within the discretion of Congress.

In *Helvering v. Independence Life Insurance Co.* (292 U. S. 371), the Court said in regard to this matter: "Unquestionably Congress has power to condition, limit, and deny deductions from gross income in order to arrive at the net that it chooses to tax." Clearly there was nothing arbitrary in the provisions of the Revenue Act of 1921 already referred to which prevented a life-insurance company from getting a double deduction for tax-exempt interest, and which also prevented the interest from tax-exempt securities from reducing the taxable income of such companies. This decision of the Supreme Court resulted in a loss of revenue to the Government of practically \$100,000,000.

## APPENDIX B

## EXEMPTION OF CITY, COUNTY, STATE EMPLOYEES' SALARIES

Judge Roberts continues:

"It seems to me that the reciprocal rights and immunities of the National and a State Government may be safeguarded by the observance of two limitations upon their respective powers of taxation. These are that the exactions of the one must not discriminate against the means and instrumentalities of the other and must not directly burden the operations of that other. To state these canons otherwise, an exaction by either Government which hits the means or instrumentalities of the other infringes the principle of immunity if it discriminates against them and in favor of private citizens or if the burden of the tax be palpable and direct rather than hypothetical and remote. Tested by these criteria, the imposition of the challenged tax in the instant case was lawful \* \* \*."

"\* \* \* In reason and logic it is difficult to differentiate the present case from that of a private citizen who furnishes goods, performs work, or renders service to a State or a municipality under a contract or an officer or employee of a corporation which does the same. Income tax on the compensation paid or the profit realized is a necessary cost incident to the performance of the contract, and as such must be taken into account in fixing the consideration demanded of the city government. In quite as real a sense, as in this case, the taxation of income of such persons and, as well, the taxation of the corporation itself lays a burden upon the funds of the State or its agency. Nevertheless, the courts have repeatedly declared that the doctrine of immunity will not serve to exempt such persons or corporations from the exaction.

"The importance of the case arises out of the fact that the claimed exemption may well extend to millions of persons (whose work nowise differs from that of their fellows in private enterprise) who are employed by municipal subdivisions and districts throughout the Nation, and that, on the other hand, the powers of the States to tax may be inhibited in the case of hundreds of thousands of similar employees of Federal agencies of one sort or another. Such exemptions from taxation ought to be strictly limited. They are essentially unfair. They are unsound because Federal or State business ought to bear its proportionate share of taxation in order that comparison may be made between the cost of conducting public and private business \* \* \*."

Because of the Court's decisions the revenue acts have exempted interest upon State obligations.

Salaries of judges of United States courts were specifically made taxable under the Revenue Acts of 1918, 1921, 1924, and 1926. In the 1928 act the Congress omitted the provision specifically making such salaries taxable, on the ground that it was mere surplusage, because, insofar as such compensation may be taxed under the Constitution, it is already included within the general definition of income. The Revenue Act of 1932 and subsequent acts specifically subject to the income tax judges taking office after June 2, 1932.

Salaries of States' officers and employees: Beginning with the Revenue Act of 1918 and subsequent acts these salaries were made taxable. Subsequent acts also tax such salaries, but they have been exempted by Supreme Court decisions.

## TAXATION OF STATE EMPLOYEES UNDER THE CIVIL WAR ACTS

In the Civil War acts Congress taxed the salaries of State officers and employees. But in a decision relating to the taxation of a State judge, decided in 1870, the Supreme Court held we could not do this. The Day case went back to the reasoning of the *Dobbins* case, decided in 1840, holding that a State had no right to assess the salary of a Federal officer. Under the Civil War acts there was an exemption of \$600 allowed, and the statute (1864 act) provided that only one deduction of \$600 shall be made from the aggregate incomes of all the members of any family composed of parents and minor children, or husband and wife, except in cases where such separate income shall be derived from the separate and individual estate, gains, or labor of the wife or child. The rates under this act were as follows:

	Percent
Income in excess of \$600 and not in excess of \$5,000.....	5
Income in excess of \$5,000 and not in excess of \$10,000.....	7½
Income in excess of \$10,000.....	10



## FEDERAL JUDGES' EXEMPTION

The decision of *Evans v. Gore* was the seed from which the nullification of the express language of the sixteenth amendment sprang. In fact, so insistent was the Court that the salaries of the judges should not be subject to the income tax that it even extended this exemption to judges of the Court of Claims, although the Court of Claims is not a constitutional court but a legislative court (*Miles v. Graham*, 268 U. S. 501). Subsequently the Supreme Court recognized its error and held that the constitutional prohibition against reducing the salaries of judges of constitutional courts had no application to judges of legislative courts (*Booth v. United States*, 291 U. S. 339). But we have not been able to secure the income tax on the salaries of these judges during the period prior to the time the Booth decision was rendered. From that time on the Court has continued to exempt income from State securities, salaries of State officers and employees, and salaries of Federal judges from their just burden of Federal taxation. Congress has tried to meet the situation as to Federal judges by fixing their salaries with respect to the income tax. This was done in the Revenue Act of 1932. However, it is doubtful if the Supreme Court will uphold that provision, and even if it does, it could only be made applicable to judges taking office after June 2, 1932, the date of the enactment of the Revenue Act of 1932.

## FEDERAL INCOME-TAX RETURNS, DECLINE OF

Brabson, in *Tax Magazine*, February 1937, writes:

"In the accompanying table, which may contain information that is surprising to many taxing authorities as well as to taxpayers, an attempt has been made to show how the tax base for the collection of Federal revenues has been constantly and consistently curtailed since the enactment of the first income-tax act until it has been substantially cut in half. The significant thing is not the figures themselves but is in the trend. There has been a steady reduction in the tax base, resulting in a reduction of almost 50 percent since 1916 in the proportion of our citizens who contribute anything to the direct support of the Federal Government."

## Federal income-tax returns compared with population

Year	United States population <sup>1</sup>	Returns filed	Taxable returns	Nontaxable returns	Percent returns to United States population	Percent taxable returns to population
1916	100,757,735	437,036	362,970	74,066	0.43	0.36
1917	102,172,845	3,472,890	2,707,234	765,656	3.39	2.65
1918	103,587,955	4,425,114	3,392,863	1,032,251	4.27	3.28
1919	106,021,431	5,532,760	4,231,181	1,301,579	5.03	3.99
1920	106,021,431	7,259,944	5,518,310	1,741,634	6.85	5.20
1921	106,021,431	6,662,176	3,589,985	3,072,191	6.28	3.39
1922	109,552,128	6,787,481	3,681,249	3,106,232	6.20	3.35
1923	110,996,153	7,698,321	4,270,121	3,428,200	6.94	3.85
1924	112,364,000	7,369,788	4,489,698	2,880,090	6.56	4.00
1925	115,725,000	4,171,051	2,501,166	1,669,885	3.60	2.16
1926	117,489,681	4,138,092	2,470,990	1,667,102	3.52	2.10
1927	118,988,000	4,101,547	2,440,941	1,660,606	3.45	2.05
1928	120,380,000	4,070,851	2,523,063	1,547,788	3.38	2.10
1929	123,202,660	4,044,327	2,458,049	1,586,278	3.28	2.00
1930	123,202,660	3,707,509	2,037,645	1,669,864	3.01	1.65
1931	123,202,660	3,225,924	1,525,546	1,700,378	2.59	1.24
1932	125,265,000	3,877,430	1,936,095	1,941,335	3.10	1.55
1933	126,130,000	3,723,558	1,747,740	1,975,818	3.00	1.39
1934	127,068,000	4,094,420	1,795,920	2,298,500	3.22	1.41
1935 <sup>2</sup>	127,521,000	4,300,691	1,836,165	2,464,526	3.42	1.43

<sup>1</sup> Population is nearest census figure of Bureau of Census estimate.

<sup>2</sup> All figures for 1935 tax returns preliminary.

## THE VOLUME OF TAX-EXEMPT SECURITIES

In the following tabulation there is set forth in round millions the amount of tax-exempt securities outstanding as of June 30, 1935. There is also shown the estimated amount of such securities in the hands of the public to whom such securities would be subject to taxation if they were not exempt. It has been found impossible to arrive at a fair estimate of the amount of tax which would be paid upon the income from these securities if they were not exempt. That the amount of income so exempt, however, is undoubtedly a sum running into the hundreds of millions, seems obvious.

## Estimated amount of tax-exempt securities in the hands of the public as of June 30, 1935

State, county, and municipal	\$16,895,000,000
Federal	26,137,000,000
Territories and insular possessions	117,000,000
Federal Farm Loan System	2,544,000,000
R. F. C.	250,000,000
H. O. L. C.	2,476,000,000
Total net	48,419,000,000
Less Federal Reserve bank holdings	2,433,000,000
	45,986,000,000

## THE EXTENT OF FEDERAL INCOME-TAX EXEMPTION

To ascertain the extent of the exemptions we need only turn to the records of the Commissioner of Internal Revenue on income taxation, which has been the largest source of Federal revenues. When our income-tax amendment to the Constitution became

effective in 1913, ordinary citizens were under the impression that the revenue acts to be passed under that authority would be broad and inclusive and would levy a tax upon every individual and corporation that had an actual income during the year in question which could be measured in dollars and cents. But it was not so to be. When the first income-tax law finally emerged from the Halls of Congress it was found to contain various exemptions, some of which one suspects were dictated by means and motives that ranged from organized pressure groups to purely personal prejudices. There were in the law exceptions and provisions and jokers and outright immunities, the sum total of which was to reduce the tax basis to a fraction of its potential application.

## BRITISH TAXES ON COLONIAL SECURITIES

CONGRESS OF THE UNITED STATES,  
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,

Washington, May 10, 1937.

HON. DAVID J. LEWIS,

House of Representatives, Washington, D. C.

MY DEAR MR. LEWIS: In regard to your inquiry as to whether the British income-tax law exempts income from the securities of the colonies, when the income is acquired therefrom by a citizen of the United Kingdom it appears that such interest is taxable where the securities are owned by a person who is a resident of Great Britain. Therefore a citizen of the United Kingdom owning securities of the colonies would be subject to the British income tax on the income from such securities if a resident of Great Britain.

Of course, the question as to whether or not the colonies themselves subject the income from such securities to taxation is a matter for their own determination. Canada, for instance, exempts the income from securities issued by the Dominion in case the specific act authorizing the issue of such securities provides for their exemption from the Canadian income tax.

Very respectfully,

COLIN F. STAN, Counsel.

## APPENDIX C

## CONFLICTS OF STATE LAWS WITH FEDERAL TAXATION

One of the most troublesome features of Federal income taxation is to determine when to apply and when not to apply the various State laws in arriving at the tax liability of the Federal taxpayers. The Supreme Court has not been consistent in its decisions on this point. The Court has held, for instance, that an organization which, under the law of the State, was deemed a partnership could be treated as a corporation for Federal income-tax purposes (*Burk-Waggoner Oil Association v. Hopkins*, 269 U. S. 110). In another case (*Burnet v. Harmel*, 287 U. S. 103) the Court also disregarded the State law in holding that royalties received in payment of an oil and gas lease could be taxed for Federal income-tax purposes, not as capital gains but as ordinary income. But in other cases involving community-property income and the taxability of income from oil and gas leases the Supreme Court has applied the State law, thereby causing the Federal tax burden to fall inequitably upon Federal taxpayers and also resulting in a severe loss in revenue to the Federal Government. The Constitution provides, in article VI, that:

"This Constitution, and the laws of the United States which shall be made in pursuance thereof, and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding."

This provision of the Constitution makes it clear that Federal laws in pursuance thereof override all State constitutions or State laws in conflict therewith. Now, so far as Federal taxes are concerned, the Constitution requires that they shall be uniform throughout the United States. In interpreting this provision of the Constitution the Court (*Florida v. Mellon*, 273 U. S. 12) has stated that it means that "the rule of liability shall be alike in all parts of the United States." But how can the rule of liability be alike for Federal tax purposes in all parts of the United States if the Court requires the Federal tax to depend upon the conflicting or dissimilar laws of the various States? In recognizing the State laws in the community property tax cases and in the Oklahoma oil and gas cases, I believe that the Court has violated the constitutional mandate prescribing uniformity of taxation throughout the United States. These decisions which are next discussed have resulted in tax exemption to a favored few at the expense of the great mass of Federal taxpayers.

## STATE LEASES, OIL, GAS, ORE

CONGRESS OF THE UNITED STATES,  
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,

Washington, May 10, 1937.

HON. DAVID J. LEWIS,

House of Representatives, Washington, D. C.

MY DEAR MR. LEWIS: In regard to your request for information relating to the decision of the Supreme Court in the Coronado Oil & Gas Co. case, the CONGRESSIONAL RECORD of March 20, 1930, shows that this question was involved in connection with refunds to the United States Steel Corporation for the years 1917, 1918, 1919, and 1920, which were made as a basis for the settlement. The total refunds involved in this case, not including interest, amounted to \$36,000,000.

While the RECORD shows that the United States Steel Corporation waived its claim to exemption in the case of iron-ore leases which



it operated in Minnesota, this claim undoubtedly had some influence on the final settlement of the case. In this connection I am quoting from page 5749 of the CONGRESSIONAL RECORD of March 20, 1930, setting forth the issues upon which the United States Steel Corporation and its subsidiaries based its claims for these refunds:

"PROFITS FROM STATE LEASES—VARIOUS SUBSIDIARIES"

"The issue is common to the years 1919 and 1920, as well as 1917 and 1918. In the petition to the Court of Claims for 1918, and in the brief for that year, objection was raised to the Bureau's action in including in consolidated net income a large sum described as the net income of six subsidiaries realized in 1918 from operation of iron-ore leases granted by the State of Minnesota or a political subdivision thereof. The objection, of course, is based upon the claim that the income is exempt from tax because arising not from a private business enterprise but from employment by a State of instrumentalities in the performance of strictly governmental functions, i. e., obtaining revenues for the support of the State's public schools. Reliance is had by the taxpayer upon the following decisions:

"*Collector v. Day* (11 Wall. 113), where the United States Supreme Court refused to sanction a tax imposed by the Federal Government upon the salary of a State executive officer.

"*Pollock v. Farmers Loan & Trust Co.* (157 U. S. 429), where it was said that: 'As the States cannot tax the powers, the operations, or the property of the United States, nor the means which they employ to carry their powers into execution, so it has been held that the United States have no power under the Constitution to tax either the instrumentalities or the property of a State.' On rehearing, the Court said, inter alia, that 'it follows that if the revenue derived from municipal bonds cannot be taxed (by the United States), because the source cannot be, the same rule applies to revenue from any other source not subject to the tax', etc.

"*Ambrosini v. United States* (187 U. S. 1), where it was held that the Federal Government lacked power to impose a stamp tax on surety bonds given a State under requirement of one of its laws.

"*Indian Territory Illuminating Oil Co. v. Oklahoma* (240 U. S. 522), where the State attempted to tax a lease on tax-exempt Osage Indian lands, but the Court held the property leased to be under the protection of the Federal Government, and that the leases 'have the immunity of such protection.' The tax assessment by the State was held invalid, saying, in part: 'A tax upon the leases is a tax upon the power to make them, and could be used to destroy the power to make them. If they cannot be taxed as entities they cannot be taxed vicariously' . . . ."

"*Gillespie v. Oklahoma* (257 U. S. 501), where the Court held invalid an attempt by Oklahoma to tax the net income of a lessee of tax-exempt Indian lands, saying: 'The same considerations that invalidate a tax upon the leases invalidate a tax upon the profits of the leases, and stopping short of theoretical possibilities, a tax upon such profits is a direct hamper upon the effort of the United States to make the best terms that it can for its wards.'

"*Daugherty, Tax Collector, v. Thompson* (9 S. W. 99), in which the Texas Supreme Court held that school lands, when leased to raise an available school fund, are exclusively devoted to the use and benefit of the public as though covered by schoolhouses, and a tax on such leased lands diminishes the rental value thereof.

"In *Metcalf & Eddy v. Mitchell* (269 U. S. 514), which involved the Federal income tax for 1917, applied by the Bureau to income paid a consulting engineer by a State, the Court held that the fact of whether or not the tax constituted an interference by the Federal Government with the State governmental functions was one for determination under the facts of each case.

"*Frey v. Woodworth, Collector* (2 Fed. (2d) 725), where the rule was recognized and applied, to the effect that State instrumentalities used in the performance of governmental functions are exempt from taxation by the Federal Government. The case involved the Federal income tax for 1921 sought to be applied to wages of employees of a street railway owned by a municipality.

"*Panhandle Oil Co. v. Mississippi* (277 U. S. 218), in which the Court held unconstitutional a State sales tax on gasoline purchased by the Federal Coast Guard and veterans' hospital.

"As opposed to the above decisions exempting from Federal taxation State agencies and the income or revenue therefrom, in the case of *Coronado Oil & Gas Co.* (14 B. T. A. 1214), acquiesced in. It was there held that income of a lessee of oil- and gas-bearing school lands of the State of Oklahoma from the sale of oil and gas produced from such leased lands was not exempt from the Federal income tax, upon the ground that the facts proven did not establish the taxpayer as an instrumentality of the State in its performance of a governmental function, so that a tax upon its income would constitute an interference with the exercise by the State of a governmental or sovereign power. Numerous relevant decisions by the courts were cited by the board. See also *H. Oliver Thompson* (17 B. T. A. 987) as to land leased to a city for a school site, and *Bear Canon Coal Co.* (14 B. T. A. 1240).

"The *Coronado Oil & Gas Co.* has prosecuted a petition to the circuit court of appeals for review of the board's decision upon the issue of its claimed exemption from Federal income tax on income from its State school-land leases. In the case of *Bunn v. Willcutts* (35 Fed. (2d) 29) the circuit court of appeals affirmed the district court decision (29 Fed. (2d) 132) in holding exempt from Federal tax the gain on sale of municipal bonds. Notwithstanding the possibility of a decision by the courts in sustaining

the claimed exemption, the United States Steel Corporation has waived its claim to exemption. The disposition of the item accords with the action heretofore taken in disposing of the tax for the year 1917."

It will be noted that when this settlement was agreed upon, the *Coronado Oil & Gas Co.* case had not been passed upon by the Supreme Court, and the company was faced with an unfavorable decision on that case by the Board of Tax Appeals (14 B. T. A. 1214). However, as subsequently developed, the Supreme Court upheld the taxpayer and reversed the Government in the *Coronado Oil & Gas Co.* case.

Very respectfully,

COLIN F. STAM, Counsel.

The Supreme Court does not apply this rule to all State leases. In the case of a lease executed in the State of Texas the Court has applied the State law and held that such a lease, although it may be identical in terms with a lease executed in the State of Oklahoma, amounts to a sale of the minerals in place (group no. 1, *Ore Corporation v. Bass*, 283 U. S. 279). Therefore, corporations leasing mineral lands in Texas are subject to a tax on the profits from the operation of such leases, while corporations leasing State lands in Oklahoma are exempt from profits derived from the operation of such leases. Yet in both cases the corporations get the same benefit and enjoyment out of the income.

COMMUNITY PROPERTY—SPLIT INCOMES

There is nothing in the Federal income-tax law which exempts the earner of income from paying the income tax on his entire salary. And the Court has already held that the Government in levying an income tax is not bound by the traditional classification of interests or estates. It stated in a case involving the income taxation of a revocable trust:

"Liability may rest upon the enjoyment by the taxpayer of privileges and benefits so substantial and important as to make it reasonable and just to deal with him as if he were the owner and to tax him on that basis" (*Wells case*, 289 U. S. 670).

And, as already pointed out, the Court has said that under these community property laws, the husband may deal with community property very much as if it were his own.

The statute before the Court taxed the "net income of every person" and defined income as including income from salaries, wages, and compensation, embracing income derived from any source whatever. Except in the case of the community-property States, the Court has held this language to be broad enough to require that the income was taxable to the spouse earning it, even though he might have assigned it prior to actual receipt to his wife (*Lucas v. Earl*, 281 U. S. 111; *Burnet v. Lenninger*, 285 U. S. 136); and in construing this language in a case involving the taxation of trust income paid by the United States to its Indian wards, the Court said:

"The intent of Congress was to levy the tax with respect to all residents of the United States and upon all sorts of income. The act does not expressly exempt the sort of income here involved, nor a person having petitioner's status respecting such income, and we are not referred to any other statute which does. . . . The intent to exclude must be definitely expressed, where, as here, the language of the act laying the tax is broad enough to include the subject matter (*Superintendent v. Commissioner*, 295 U. S. 418)."

Schedule showing difference in Federal income-tax liability in community property State as contrasted with noncommunity property State<sup>1</sup>

	Tax liability in non-community property State	Tax liability in community property State	Difference in tax liability in community property and noncommunity property State
Net income:			
\$10,500	\$458	\$278	\$180
\$20,500	1,664	1,118	546
\$32,500	9,644	6,028	3,616
\$76,500	19,484	11,708	7,776
\$102,500	33,944	19,288	14,656
\$202,500	96,944	67,888	29,056
\$302,500	163,944	129,888	34,056
\$402,500	233,944	193,888	40,056
\$502,500	305,944	259,888	46,056
\$752,500	490,944	432,888	58,056
\$1,002,500	680,944	611,888	69,056

<sup>1</sup> Tax computed on basis of \$2,500 exemption for married persons and maximum earned income credit.

NOTE.—The differences in taxation of citizens of the several States due to the division of income under community property laws will not be affected by the source of the income, be it dividends, interest, rents, salary, payment for professional services, or profits on the sale of capital assets.

Thus the taxpayer in a community property State, paying less Federal income tax than the taxpayer with identical income in a noncommunity property State, might be an individual earning a salary behind a department-store glove counter, a locomotive throttle, or the movie cameras. He might, on the other hand, be a corporation executive, a physician, lawyer, accountant, or the owner of a small bake shop. He may be an oil and gas lease operator, an author of best-sellers, a manufacturer of tin trays, or an inventor. Thus the list of occupations and sources of income might be extended indefinitely to include all the means of livelihood and income sources in the community property and noncommunity property States.



## FOREIGN TAX CREDITS

Under our Federal Income Tax Act we allow a credit against the Federal income tax for taxes paid by American citizens or American corporations to foreign countries. Since American citizens and domestic corporations are taxable on their income from all sources, this credit was allowed to prevent double taxation of the same income by two national governments. However, the Supreme Court in *Burnet v. Chicago Portrait Co.* (285 U. S. 1) has so distorted the law that credit is now given not only for income taxes paid to foreign governments but also to political subdivisions of such foreign governments. The Court held that the only test to be applied under the statute was whether the income tax was paid to a foreign power competent to lay it, regardless of the international status of such foreign power. Thus income taxes paid to New South Wales and the city of Hamburg are now allowed as credits against our Federal income taxes. That this construction is absurd becomes apparent when it is realized that the Federal Government does not allow any credit against the Federal income tax for taxes paid to the States. Certainly, there is nothing in the statute as written to justify the inference that foreign states which do not have an international status should be treated differently in this respect than our own domestic States. Income taxes paid to our States are only allowed as deductions from gross income in computing the Federal income tax and not as credits against the tax itself. Income taxes paid to foreign states which do not have an international status should not be treated better than our own States in this respect, and I see nothing in the statute to show that Congress ever intended such a result as the Supreme Court has outlined. This decision of the Supreme Court has cost us up to date about \$2,000,000.

## APPENDIX D

## GIFT TAXES—RESTRICTION ON LEVYING A GIFT TAX ON DONEE

The Supreme Court upheld the constitutionality of the gift-tax provisions of the Revenue Act of 1924, levying a tax on the donor, insofar as it applied to gifts made after the date of the enactment of that act. However, the reasoning of the Court was such as to cast serious doubt upon the power of Congress to levy a gift tax upon the donee. The Court upheld the tax on the theory that it was not a direct tax, because it was levied only upon one of those powers incident to ownership, the power to give the property owned to another. It was stated that "under this statute all the other rights and powers which collectively constitute property or ownership may be fully enjoyed free of tax." But under this reasoning the Court would probably hold that a gift tax on the donee is a direct tax and unconstitutional because not apportioned according to population. This is because the Court has repeatedly taken the position in the *Pollock* and other cases that a tax upon the receipt of property is a tax upon the ownership of the property itself. A tax on inheritances has been sustained on an entirely different basis, as in the case of inheritances the tax is laid upon the privilege granted by the State of permitting a person to dispose of his property at death. If it were not for this privilege, which has its inception in the common law, all property would escheat to the State on the death of the owner. But it cannot be said that the State is granting a privilege when the owner of property exercises his inalienable right of disposing of it during his lifetime. Therefore there are good grounds for believing that the Supreme Court will not permit us to levy a gift tax on the donee. It was Mr. Justice Holmes who said that "a page of history is worth a volume of logic." The Court could well have applied this common-sense rule and ascertained that at the time the Constitution was adopted a tax on gifts was not recognized as a direct tax, and therefore had to fall within the class of excises. For there is no magic to the word "excise" in its historical setting.

## GIFTS AS INCOME TO THE RECIPIENT

So far as gifts are concerned under our concept of income, the Commissioner of Internal Revenue interpreted income under the act of 1864 to include the receipt of gifts, and the act of 1894 specifically taxed the receipt of personal property by gift as income. This last act was declared unconstitutional by the Supreme Court in the *Pollock* case. Beginning with the Revenue Act of 1913, Congress has specifically exempted the receipt of gifts from the income tax. My understanding is that this was done because of doubt in the minds of framers of the Revenue Act of 1913 as to whether the Court would regard gifts as income. They were exempted to give the Court no kind of argument to invalidate the income tax again.

## GIFTS OF PROPERTY WHERE GRANTOR RETAINS ENJOYMENT OF INCOME THEREFROM

The Supreme Court has held that the following types of transfers are not subject to the estate tax imposed by the Revenue Act of 1926:

"1. A places property in trust by a deed which provides that the income shall be paid to B for his life, then to A for her life, and then that the trust shall terminate upon the death of A, at which time the property shall be distributed among the children of A (*May v. Heiner*, decided Apr. 14, 1930, 281 U. S. 238).

"2. A places property in trust by a deed which provides that the income therefrom shall be paid to A for her life, and upon her death that the trust shall be terminated and that the property shall be distributed among her children (*Burnet v. Northern Trust Co.*, decided Mar. 2, 1931, 51 S. Ct. 342).

"3. A places property in trust by a deed which provides that A shall have the right to call upon the income therefrom to supple-

ment her income from other property if it falls below a given sum; reserves the right to dispose of the remainder of the income by ordering its payment to others and which further provides that the trust shall terminate upon the death of the last of her three children, at which time if A is surviving the property will be paid over to her, and if not will then be paid to the issue of her children (*McCormick v. Burnet*, decided Mar. 2, 1931, 51 S. Ct. 343)." (CONGRESSIONAL RECORD of Mar. 3, 1931, p. 7198.)

The Government as well as the States thought that these types of trusts were included in the language of the statute taxing "transfers intended to take effect in possession or enjoyment at or after death." In fact, for many years both Federal and State courts had held that these types of transfer were covered by such language, and both Federal and State legislators had drafted their death-duty statutes on such a basis. Now, in 1930 and 1931 the Supreme Court held for the first time that this language did not cover this type of transfers. We amended our Federal law to take care of this situation in the future, but due to the decisions of the Supreme Court there is not much chance that we will be able to reach back and tax those trusts which were created before our amendment was enacted, which was in 1931. The Government has attempted to subject these trusts to the estate tax in the case of decedents dying after the enactment of the Revenue Act of 1932, but has been unsuccessful in sustaining this position in the courts because of these Supreme Court decisions. It has been estimated that up to the present these decisions will cost us about \$25,000,000. And the decisions have also cost the States a great deal of money.

It is certainly unfair to permit all these taxpayers who set up trusts prior to 1931 to escape their fair burden of the Federal estate tax. Indeed, we even considered taxing these trusts by levying a tax upon the receipt by the beneficiaries of the trust property when the trusts were terminated and the beneficiaries came into possession and enjoyment. But the Supreme Court has now held that to impose a tax upon the coming into possession and enjoyment of property—the right to which was fully vested prior to the enactment of taxing statute is in violation of the due-process clause (*Coolidge v. Long*, 282 U. S. 582). And this conclusion was reached in spite of the fact that the Court had upheld such a tax under the Civil War Acts (*Clapp v. Mason*, 94 U. S. 589; *Wright v. Blakeslee*, 101 U. S. 174). This was also true in the case of *Cahn v. Brewster* (203 U. S. 543), involving a Louisiana inheritance tax. Sir, had we not the same Constitution then as we have today? There is nothing in the Constitution which prevents us from reaching out and subjecting these trusts to their proper share of taxation. This decision only confirms the opinion that it is not the Constitution but the Court that needs mending.

## GIFT TAXES

The Supreme Court denied the power of Congress to make the gift-tax provisions of the Revenue Act of 1924 retroactive. Under the act of 1924 we taxed all gifts made during the calendar year 1924, although the act was not passed until June 2, 1924. This short retroactive period was thought necessary to forestall tax evaders who should hurry their gifts to beat the enactment date of the bill. This, sir, is usual practice by the British Parliament to prevent tax evasion. Certainly there is no prohibition of retroactive legislation in the Constitution.

In the first case involving this question the gift was made in January 1924 (*Blodgett v. Holden*, 275 U. S. 142). In the second case (*Untermeyer v. Anderson*, 276 U. S. 440) the gift was made in May 1924, when the revenue bill of 1924 had passed both Houses and was before the conferees to iron out the differences between the two Houses. By these decisions holding it was unconstitutional to tax gifts made before the passage of the act the Court played into the hands of the tax dodgers, who, in anticipation of a gift tax, made gifts before the bill of 1924 was enacted into law. As a result of these decisions, whenever the Government wants to impose an excise tax for the first time it cannot apply it to transactions made prior to the date the bill becomes law. This is directly contrary to decisions of the Supreme Court in the past, which, as pointed out by Mr. Justice Brandeis in his dissenting opinion, have frequently sustained retroactive excises. And these decisions caused the Government to lose three and one-half million dollars in revenue and will undoubtedly cause a further loss of revenue in the future.

## APPENDIX E

## ESTATE TAXES

In the estate-tax field the Supreme Court has carried its policy of favoring the form rather than the substance to the utmost extreme. Its unwillingness to consider the practical result of tax transactions has cost the Government millions of dollars.

(a) Exemption of real estate from Federal estate tax.

The first case I wish to discuss under the estate tax is that of *Crooks v. Harrelson* (282 U. S. 55), in which the Supreme Court held that unless real estate was subject to the expenses of administration of a decedent's estate it was not includible in the gross estate for Federal estate-tax purposes. This conclusion was based upon the Court's interpretation of the Revenue Act of 1918, which subjected to the Federal estate tax property of a decedent which was subject "to the payment of the charges against his estate and the expenses of its administration." The Court held that if by State law an interest in real estate is not subject to the expenses of administration (although it is subject to charges against the



estate), it forms no part of the gross estate for purposes of the Federal estate tax. This result was reached by construing the word "and" in the Federal act in the conjunctive, thereby holding that the property to be taxable must be subject both to (1) expenses of administration and (2) charges against the estate. As under the common-law rule, which is still in effect in many States, real estate cannot be sold to pay expenses of administration, this decision had the effect of setting up some exceptional common law to exempt many wealthy estates of any Federal estate tax at all on their real property. And there was no sound basis for such a technical construction of the word "and." It led to absurd results, which could not have been imputed to the Congress. Moreover, the word "and" has frequently been construed in the disjunctive by the courts when a contrary conclusion would lead to absurd results. In construing a statute prohibiting the importation and migration of foreigners and aliens under contract to perform labor in the United States the Supreme Court did not hesitate to ignore the express language of the statute and hold that it did not apply to the employment by a church of a rector or minister, because legislative history clearly showed that the statute was not intended to reach a case of this kind (*Holy Trinity Church v. United States*, 143 U. S. 457). We have revised our estate-tax statute to meet the hair-splitting interpretation of the Supreme Court in the Revenue Act of 1926, but this decision cost the Federal taxpayers at least \$5,000,000, and would have cost a great deal more, if it had not been for the running of the statute of limitations.

## APPENDIX F

## ESTATE-TAX DECISIONS OF 1935

A series of cases decided on November 1, 1935, demonstrates further what an impractical mind the majority of the Court has in dealing with taxation, which is an eminently practical matter.

First, let us consider the case of *White v. Poor* (296 U. S. 98). We have a provision in the estate-tax law requiring the inclusion in the gross estate of a decedent, property transferred in trust, if the enjoyment of such property was subject at the date of the decedent's death to any change through the exercise of a power, either by the decedent alone (or in conjunction with any person) to alter, amend, or revoke. In the case before the Court a widow set up a trust for herself and children. The property was conveyed to three trustees, consisting of herself, her son, and a third person not connected with the family. The trust was to terminate upon the death of the last survivor. The trustees could also terminate the trust at any time by agreement, and under the trust instrument they could also fill vacancies in their ranks. After the trust was created the decedent resigned as trustee and a new trustee was appointed in her stead. A year later this new trustee resigned and the remaining trustees appointed the widow, so that at the time of the widow's death she was a trustee and therefore had the power with the other trustees to terminate the trust on the date of her death. However, the Court reasoned that the power to terminate the trust was acquired solely by the action of the other trustees and "not in any sense by virtue of any power reserved to herself as settlor in the original declaration of trust." Therefore the Court held that this trust could not be taxed as part of the widow's estate. Under this decision a grantor could escape any estate tax on trust property by giving the power to terminate to carefully selected trustees, who by rearrangement could later appoint him as trustee.

Next, let us consider the case of *Helvering v. St. Louis Union Trust Co.* (296 U. S. 39). This was another family trust. A father conveyed property in trust to pay the income to his daughter during life with remainder over to persons named. If the daughter died before the father, the trust property was to be transferred back to the father, to be his absolutely. The Court held that this trust was not includable in the father's gross estate at his death. In another case, *Becker v. St. Louis Union Trust Co.* (296 U. S. 48), the facts were essentially the same, except that the grantor appointed himself as trustee. The Court in this last case held that the effect was no different than if the trustee had been another person and therefore held this trust property also not subject to the estate tax. Both cases were 5-to-4 decisions, the Chief Justice, Mr. Justice Brandeis, Mr. Justice Stone, and Mr. Justice Cardozo all dissenting. Mr. Justice Stone explained the views of the minority in his dissent in the *St. Louis Trust Co.* I quote the following from Mr. Stone's opinion:

"It seems plain that the gift here was not complete until the decedent's death. He did not desire to make a complete gift. He wished to keep the property for himself in case he survived his daughter. He kept this hold upon it by reserving from his gift an interest terminable only at his death, by which full ownership would be restored to him if he survived his daughter. If he had reserved a power to revoke the trust, if he survived her, *Reinecke v. Northern Trust Co.*, supra, would have made the gift taxable, as would *Klein v. United States*, supra, if he had reserved a remainder in himself with gift over, if he did not survive his daughter. Instead, by using a different form of words, he attained the same end and has escaped the tax.

"Having in mind the purpose of the statute and the breadth of its language, it would seem to be of no consequence what particular conveyancers' device—what particular string—the decedent selected to hold in suspense the ultimate disposition of his property until the moment of his death. In determining whether a taxable transfer becomes complete only at death we look to substance, not to form (*Klein v. United States*, supra, 234; *Chase*

*National Bank v. United States*, 278 U. S. 327, 335; *Reinecke v. Northern Trust Co.*, supra, 345; *Saltonstall v. Saltonstall*, 276 U. S. 260, 271). However we label the device, it is but a means by which the gift is rendered incomplete until the donor's death. The extent to which it is incomplete marks the extent of the 'interest' passing at death, which the statute taxes.

"The judgment should be reversed."

In other words, Mr. Justice Stone showed that under the majority opinion, merely by using a different form of words in the trust instrument, a person could escape the estate tax and yet have the same practical benefits. Thus, under the Court's decision, the same result could be obtained by either of two methods; but if one method was adopted, the trust was subject to the estate tax, whereas if the other method was adopted, the trust was exempt from the estate tax. Naturally all the wealthy taxpayers will choose the method which results in no estate tax. This is a striking example of the Court's effort to decide tax cases on the basis of the form of the transaction selected by the tax dodger rather than the substance.

The Court's decisions preventing us from subjecting transfers made before the enactment of the statute has greatly handicapped us in our collection of the Federal estate tax. Where these transfers are mere substitutes for testamentary dispositions, and where, because of the decedent's death after the enactment of the taxing statute, the beneficiaries acquire certain benefits and rights to possession and enjoyment not heretofore had, it seems entirely constitutional for us to make the occasion for the accession of such rights a taxable one. But in *Schwab v. Doyle* (258 U. S. 529), the Court held that we could not subject to the estate tax transfers in contemplation of death made before the Revenue Act of 1916. And in *Nicols v. Coolidge* (274 U. S. 531) we were prevented by the Court from taxing property transferred in trust in 1907 but taking effect in possession and enjoyment after the enactment of our taxing statute. This was also held to be true in the case of *Helvering against Helmholtz*, involving a family trust created in 1918. And the Court has also held that we cannot subject to the estate tax insurance taken out before the passage of the act, where the decedent could not change the beneficiary, although his death was the event which entitled the beneficiaries to the proceeds (*Bingham v. U. S.*, 296 U. S. 212).

All of these cases considered together has cost the Government about \$25,000,000. And they clearly show that the Court is indulging in legal fictions and niceties and not looking to the actualities in rendering its decisions. I have already considered the community-property income-tax decisions. The same result was reached by the Court in the estate-tax case (*U. S. v. Malcolm*, 282 U. S. 792). In spite of the fact that in the community-property States, the wife, upon the death of the husband, acquires the right to manage, control, and dispose of the portion of the community property, in which prior to death she had a mere naked legal title, the Court has refused us the right to subject this property to the estate tax, even though it was acquired through the sole efforts of the husband, and he had control of it up to the date of his death.

## APPENDIX G

## STATE TAXATION—FEDERAL COURT FRUSTRATION

It is impossible here to enumerate all of the instances in which the Supreme Court has arbitrarily interfered with the right of the States to levy taxes for the support of their governments. Here are a few of the cases:

Massachusetts under its general income-tax law taxed royalties received from copyrights granted by the United States. Although these royalties inured entirely to the benefit of the recipient, a private party, and not to the benefit of the United States, the Supreme Court held that Massachusetts had no right to tax such royalties on the ground that the copyright was granted by the Federal Government (*Long v. Rockwood*, 277 U. S. 142). However, New York under its general income-tax law taxed royalties from the use of patent rights granted by the United States. When the New York case was heard, the Court was forced to admit that its reasoning in the Massachusetts case was faulty, for while the copyright or patent was granted by the Federal Government, it was exercised by the owner not in performing a function of government, but for his own personal gain and profit. So the Court not only upheld the right of New York to tax the income from patents granted by the Federal Government but expressly overruled its decision denying the right of Massachusetts to subject to its income-tax royalties received from copyrights granted by the United States (*Fox Film Corporation v. Doyle*, 286 U. S. 106). Wisconsin in imposing its income tax, classified "a husband and wife" together and required them to file a joint return for income-tax purposes and levied an income tax graduated for surtax purposes upon their combined incomes shown in such return. Although the Supreme Court has held that it is a reasonable classification to treat husband and wife as a unit for the purpose of allowing them a larger exemption from the income tax than that accorded single persons (*Brushaber v. Union Pacific Railroad Co.*, 240 U. S. 1), it held the Wisconsin statute arbitrary and capricious in treating them as a unit for the purpose of levying surtaxes. It is hard to see why, if they can be classified for exemption purposes, they cannot also be classified for the purpose of imposing surtaxes. But the Court held otherwise (*Hooper v. Wisconsin Tax Commission*, 284 U. S. 206). Vermont under the Income and Franchise Act of 1931, to encourage the making of loans within



the State, taxed loans made by Vermont citizens outside the State and exempted loans made within the State. The Supreme Court held this provision unconstitutional as a violation of the fourteenth amendment. Mr. Justice Stone in a dissenting opinion, concurred in by Mr. Justice Brandeis and Mr. Justice Cardozo, said:

"All taxes must of necessity be levied by general rules capable of practical administration. In drawing the line between the taxed and the untaxed, the equal-protection clause does not command the impossible or the impractical. Unless the line which the State draws is so wide of the mark as palpably to have no reasonable relation to the legitimate end, it is not for the judicial power to reject it and say that another must be substituted (*Citizens' Telephone Co. v. Fuller*, supra, 329; *Müller v. Wilson*, 236 U. S. 373, 384; *Clark v. Titusville*, 184 U. S. 329, 331; *Metropolis Theatre Co. v. Chicago*, 228 U. S. 61, 69, 79; see also *Salomon v. Tax Commission*, 278 U. S. 484; *McCray v. United States*, 195 U. S. 27; *Quong Wing v. Kirkendall*, supra; *Bell's Gap R. Co. v. Pennsylvania*, 134 U. S. 232, 237).

"As the purpose of the exemption appears to be to encourage the lending of money within Vermont by its residents at low rates of interest, and as it appears reasonably calculated to have that effect, and as we cannot say that such loans will not be of benefit to the State by tending to establish the interest rate at 5 percent or less, and by stimulating loans to borrowers for the purpose of carrying on business and industry within the State, the conclusion seems inescapable that the equal-protection clause does not forbid it."

And then concludes:

"If the exemption does not merit condemnation as a denial of the equal protection which the fourteenth amendment extends to every person, nothing can be added to the vehemence or effectiveness of the denunciation by invoking the command of the privileges and immunities clause."

Massachusetts levied an excise tax on corporations doing business within the State measured by the net income from all sources. The Supreme Court held that Massachusetts had no right under such a statute to include as a measure of the tax income from Federal securities, because a prior statute on the same subject expressly exempted them (*Macallen Co. v. Massachusetts*, 279 U. S. 620). New York also levied an excise tax on corporations, doing business within that State, measured by the net income from all sources. The Supreme Court, in *Educational Films Corporation of America v. Ward* (282 U. S. 379), held that New York, under its statute, had a right to include as a measure of its tax the income from Federal securities, claiming that the New York statute, unlike the Massachusetts statute, was not aiming directly at Federal securities. California, in its constitution, had a provision prohibiting the taxation of income from tax-exempt securities. By a constitutional amendment this provision was repealed, and California then enacted a statute taxing corporations doing business within the State, measured by the net income of the corporation from all sources.

The Supreme Court held that California had a right under this statute to include in the measure of the tax the income of the corporation from Federal securities (*Pacific Co. v. Johnson*, 285 U. S. 480). And yet the only practical difference between the situation in Massachusetts and California was that Massachusetts repealed a statutory provision preventing the taxation of the income from Federal securities, while California removed a similar provision from its constitution by a constitutional amendment. This is certainly a distinction without a difference. And speaking of tax-exempt securities, I wish to bring out what the Supreme Court did to a tax on net worth levied by the State of Missouri on insurance companies. In arriving at net worth the State statute as construed by its highest court required the companies' liabilities to be reduced by the proportion that the value of their tax-exempt securities bore to the total assets. In other words, the statute prorated the liabilities of the company between its taxable and nontaxable assets, and only allowed that portion of the liabilities attributable to the taxable assets to be used in computing net worth. This seemed a fair method, since there is no way of ascertaining whether the liabilities of such companies will be satisfied out of taxable or nontaxable property. But the Supreme Court, in *Missouri v. Gehner*, held this statute invalid (281 U. S. 313), stating that none of the liabilities could be deemed to be paid out of the Federal securities, otherwise there would be discrimination against Federal securities. Mr. Justice Stone, in an opinion concurred in by Mr. Justice Holmes and Mr. Justice Brandeis, explains the absurdity of the majority opinion, as follows:

"To state the problem now presented in its simplest concrete form, if an insurance company has policy liabilities of \$100,000, \$100,000 of taxable personal property, and \$100,000 of Government bonds, its net assets would be \$100,000. Under the statute of Missouri taxing net assets, as applied by the State court, one-half of this net worth, or \$50,000, would be subject to the tax, since one-half of its entire property consists of taxable assets, and so contributes one-half of the net. Under the decision of this Court the company would go tax free on the theory that the Constitution requires that in ascertaining the taxable net worth tax-exempt bonds must be excluded from the computation as though they were not liable for the debts of the taxpayer.

"That conclusion appears to me to open a new and hitherto unsuspected field of operation for the immunity from taxation enjoyed by National and State securities as instrumentalities of government, and to accord to their owners a privilege which is not justified by anything that has been decided or said by this Court."

And in a whimsical decision by Mr. Justice Roberts, a Kentucky statute imposing a graduated gross sales tax was held unconstitutional (*Stewart Dry Goods Co. v. Lewis*, 294 U. S. 550). Under the statute the rate of tax was stepped up according to the amount of sales. The decision is so far reaching in its effect that it has placed in jeopardy many of the graduated gross sales or gross income taxes of the various States. It was because of this decision that the Supreme Court held unconstitutional, in a per curiam opinion of November 9, 1936, the Iowa Chain Store Act of 1935, imposing a tax on gross receipts from sales, according to an accumulated graduated scale. And it was only by a bare majority that the Supreme Court upheld a State chain-store tax graduated according to the number of stores within the State (*Commissioners v. Jackson*, 283 U. S. 527). In the minority opinion to the *Stewart Dry Goods Co. case*, written by Justice Cardozo and concurred in by Mr. Justice Brandeis and Mr. Justice Stone, it was pointed out that under the majority opinion a tax upon gross sales, if laid upon a graduated basis, is always and inevitably a denial of the equal protection of the laws, no matter how slight the gradient or how moderate the rate of tax, and concluded that the statute was not arbitrary, stating, "It is not the function of the Court to make itself the arbiter between competing economic theories professed by honest men on grounds not wholly frivolous." And to cap the climax, the Supreme Court, in an opinion by Mr. Justice Butler in *Great Northern Railway v. Weeks* (297 U. S. 137), even questioned as arbitrary an assessment by the North Dakota State Equalization Board as to the value for tax purposes of certain railway property. In a dissenting opinion by Mr. Justice Stone, concurred in by Mr. Justice Cardozo and Mr. Justice Brandeis, it was pointed out that the decision of the majority was not based upon any discrimination in the valuation of the railroad's property as compared with that of other property in the State. And it was stated that the majority decision rested on the single ground that the tax was excessive. He said:

"The feature of the decision which is especially a matter of concern is that for the first time this Court is setting aside a tax as a violation of the fourteenth amendment on the ground that the assessment on which it is computed is too high, without any showing that the assessment is discriminatory or that petitioner is in any way bearing an undue share of the tax burden imposed on all property owners in the State."

And then goes on to state:

"Even if the valuation of the board be erroneous, the errors of a State judicial officer, however gross, whether of law or of fact, are not violations of the Constitution and are not open to review in the Federal courts merely because they are errors. If overvaluation, even though gross or intentional, were, without more, held to infringe the fourteenth amendment, every taxpayer would be at liberty to ask the Federal courts to review a State tax assessment upon the bare allegation that it is grossly excessive, and without showing that it does more than subject him to taxation on the same basis as every other taxpayer."

"It has long been recognized that discrimination between taxpayers, if intentional or so persistent as to be systematic, is a denial of equal protection, whether the discrimination is in the application of different rates to property in the same class or in inequality in its valuation (*Iowa-Des Moines Bank v. Bennett*, 284 U. S. 239, 245; *Cumberland Coal Co. v. Board of Review*, 284 U. S. 23, 25ff; *Chicago G. W. Ry. Co. v. Kendall*, 266 U. S. 94, 98, 99; *Sioux City Bridge Co. v. Dakota County*, 260 U. S. 441, 445; *Raymond v. Chicago Traction Co.*, 207 U. S. 20, 37). But to hold that a tax is unconstitutional because based upon an assessment which is too high, as compared with the value of the same property for purposes of condemnation, overlooks the principle upon which property taxes are laid and collected. Taxation is but a method of raising revenue to defray the expenses of government and of distributing the burden among those who must bear it. The taxpayer cannot complain of the tax burden which he has to bear who shows no inequality in the application of it. And plainly, he does not show inequality merely by proving that the valuation of his property for taxation is much higher than its market or its condemnation value."

"The burden of a property tax like the present is distributed by applying a rate of tax to the assessed valuation of all taxable property. Variation of either without discrimination affects the amount of the tax but not the equality of its distribution. The activities and expenses of government, over which the State has plenary control, do not cease in time of depression. They may increase. The State may meet those expenses by raising the valuation of taxable property, or by raising tax rates, or both, without infringing any constitutional immunity. Here the State, so far as appears, is raising the needed revenue and distributing the burden as in previous years, by continuing old valuations. However high those valuations may be, if not discriminatory, they impose no unequal share of the tax burden on petitioner and cannot be said to be arbitrary or oppressive in the constitutional sense."

#### APPENDIX H

##### LOSSES ON SURTAXES CAUSED BY COURT'S DECISION EXEMPTING STOCK DIVIDENDS

The estimate of \$1,300,000,000 was based upon the amount of corporate earnings withheld from the stockholders for 1936. I quote the following from the statement of Secretary Morgenthau, appearing on page 4 of the Senate Finance Committee hearings of the revenue bill of 1936:

"The Department has also estimated that under the present law more than four and one-half billion dollars of corporation income



in the calendar year 1936 will be withheld from stockholders and that, if this income were fully distributed to the individual owners of the stocks represented in those corporations, the resultant yield in additional income taxes would be about \$1,300,000,000."

In arriving at such loss of revenue, which would occur either from a 100-percent distribution of dividends or by requiring stockholders to report in their individual returns their pro-rata share of the net earnings of the corporations, whether distributed or not, it was necessary for the Treasury to estimate the individual income-tax brackets into which such earnings, if distributed, would fall. It appears that the Treasury has a record for the latest available year showing the number of individuals who actually received dividends and the income brackets in which they fall. Each year when the Budget estimate is prepared the Treasury has to estimate the various sources of income to individuals—that is, wages, salaries, rents, royalties, dividends, capital gains, etc. Therefore, the only new factor involved in this estimate of \$1,300,000,000 was in estimating the total amount of corporate income. The Treasury contends that from this data they can secure a pretty good picture in what brackets these earnings will fall.

Stock dividends: Congress attempted to tax stock dividends under the broad definition of income under the Revenue Act of 1913. The Supreme Court, in *Towne v. Eisner*, held that this broad definition of income did not embrace stock dividends. In the Revenue Act of 1916 Congress specifically provided that "a stock dividend shall be considered income to the amount of its cash value." The Supreme Court, in *Eisner v. Macomber*, decided March 8, 1920, held that this provision was unconstitutional, because stock dividends were not income under the Constitution. As a result of this decision Congress, in the Revenue Act of 1921 and subsequent acts, has specifically provided that stock dividends shall not be subject to tax. In our Revenue Act of 1936 we changed the law by providing that stock dividends shall be taxable as income to the extent they represent income under the Constitution.

#### EXTENSION OF REMARKS

Mr. KELLER. Mr. Speaker, I ask unanimous consent to add to my address delivered here on June 8 on the question of tax dodging.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LUECKE of Michigan, for 6 legislative days, on account of important business.

#### ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2901. An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government;

H. R. 6287. An act to amend Public Act No. 467, Seventy-third Congress, entitled "Federal Credit Union Act"; and

H. R. 6737. An act to amend the stamp provisions of the Bottling in Bond Act.

#### BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2901. An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government;

H. R. 6287. An act to amend Public, No. 467, Seventy-third Congress, entitled "Federal Credit Union Act"; and

H. R. 6737. An act to amend the stamp provisions of the Bottling in Bond Act.

#### ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p. m.) the House, pursuant to its previous order, adjourned until Thursday, July 8, 1937, at 12 o'clock noon.

## COMMITTEE HEARINGS

### COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Wednesday, July 7, 1937, at 10 a. m., on H. R. 7158, to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended.

### COMMITTEE ON NAVAL AFFAIRS

The following is the schedule for Naval Affairs Committee for this week:

Wednesday, July 7, 1937, at 10:30 a. m., the full committee will hold open hearings on S. 2521, to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes.

Thursday, July 8, 1937, at 10:30 a. m., open hearings on S. 1131, to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

### COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE—POSTPONED

The meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, July 7, 1937, on H. R. 5182 and H. R. 6917—textile bills—is postponed until 10 a. m., Thursday, July 8, 1937.

There will be a meeting of the Subcommittee on Cancer of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, July 8, 1937. Business to be considered: Joint hearing on the cancer bills. Hearing to be held in the Senate Commerce Committee room, gallery floor of the Senate.

### COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, July 13, 1937, at 10:30 a. m., to begin hearings on H. R. 7365, a bill to provide for the regional conservation and development of the national resources, and for other purposes.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

699. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill to authorize the Secretary of the Interior to relinquish in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., the interest in certain land acquired by the United States under the Federal reclamation laws; to the Committee on Indian Affairs.

700. A letter from the Acting Secretary of the Treasury, transmitting a proposed joint resolution to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York; to the Committee on Ways and Means.

701. A letter from the Chairman of the Federal Deposit Insurance Corporation, transmitting a copy of the Annual Report of the Federal Deposit Insurance for the year ending December 31, 1936; to the Committee on Banking and Currency.

702. A letter from the Acting Comptroller General of the United States, transmitting a report and recommendation to the Congress concerning the claim of Leo L. Harrison; to the Committee on Claims.

703. A letter from the Acting Comptroller General of the United States, transmitting a report and recommendation to the Congress concerning the claim of Irvin H. Johnson; to the Committee on Claims.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ZIMMERMAN: Committee on Irrigation and Reclamation. S. 2681. An act to authorize the construction of



the Colorado-Big Thompson project as a Federal reclamation project; without amendment (Rept. No. 1180). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on Merchant Marine and Fisheries. H. R. 6048. A bill to provide for the establishment of a Coast Guard station in the vicinity of Fort Myers, Fla.; without amendment (Rept. No. 1181). Referred to the Committee of the Whole House on the state of the Union.

Mr. BOYKIN: Committee on Merchant Marine and Fisheries. H. R. 6976. A bill to provide for the establishment of a Coast Guard station on the coast of Alabama at or near Dauphin Island, Ala.; without amendment (Rept. No. 1182). Referred to the Committee of the Whole House on the state of the Union.

Mr. GASQUE: Committee on Pensions. H. R. 7531. A bill to afford protection of pension benefits to peacetime veterans placed on the pension rolls after March 19, 1933, and for other purposes; without amendment (Rept. No. 1183). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 7611. A bill to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war; without amendment (Rept. No. 1184). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. Senate Concurrent Resolution 10. Concurrent resolution accepting the statue of Gen. William Henry Harrison Beadle, to be placed in Statuary Hall; without amendment (Rept. No. 1185). Referred to the Committee of the Whole House on the state of the Union.

Mr. GASQUE: Committee on Pensions. H. R. 5787. A bill granting pensions and increases of pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes; with amendment (Rept. No. 1186). Referred to the Committee on the Whole House on the state of the Union.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 7747) granting an increase of pension to Jane A. Richardson, and the same was referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado: A bill (H. R. 7764) to authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado; to the Committee on Irrigation and Reclamation.

By Mr. FRED M. VINSON: A bill (H. R. 7765) to reorganize the judicial branch of the Government; to the Committee on the Judiciary.

By Mr. CITRON: A bill (H. R. 7766) to declare Burr Creek, from Fairfield Avenue southward to Yacht Street in the city of Bridgeport, Conn., a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

By Mr. BEVERLY M. VINCENT: A bill (H. R. 7767) creating the Owensboro Bridge Commission, defining the authority, power, and duties of said commission and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Owensboro, Ky.; to the Committee on Interstate and Foreign Commerce.

By Mr. CHURCH: A bill (H. R. 7768) to provide for the establishment of a Coast Guard station on the shore of Illinois at or near Waukegan Harbor, Waukegan, Lake County; to the Committee on Merchant Marine and Fisheries.

By Mr. WEARIN: A bill (H. R. 7769) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. BETTER: Resolution (H. Res. 268) to secure certain information for the House of Representatives from Federal Emergency Administration of Public Works; to the Committee on Appropriations.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LANZETTA: A bill (H. R. 7770) for the relief of Domenick Zucaro; to the Committee on Immigration and Naturalization.

By Mr. STACK: A bill (H. R. 7771) for the relief of Alice N. Boyle; to the Committee on Claims.

Also, a bill (H. R. 7772) granting a pension to Fannie Gauntlett; to the Committee on Pensions.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2838. By Mr. CASE of South Dakota: Resolution adopted by the League of South Dakota Municipalities at their annual meeting, urging Federal aid for good roads and streets based on a matching with municipal government; to the Committee on Roads.

2839. By Mr. CURLEY: Petition of the New York County Lawyers Association, urging disapproval of Senate bill 1890, introduced by Senator Norris, in relation to the power of the Supreme Court to render judgment declaring any act of Congress invalid because it is unconstitutional, unless concurred in by more than two-thirds of the members of the Court; to the Committee on the Judiciary.

2840. Also, petition of the New York County Lawyers Association, urging disapproval of Senate bill 1400, introduced by Senator WHEELER, to transfer to the Interstate Commerce Commission the functions now being performed by the United States Maritime Commission; to the Committee on Interstate and Foreign Commerce.

2841. Also, petition of the Travelers Aid Society of Minneapolis, Minn., urging the passage of Senate Joint Resolution No. 85 to investigate the social and economic needs of laborers migrating across State lines; to the Committee on Labor.

2842. Also, petition of the New York County Lawyers Association, endorsing Senate bill 2226, introduced by Senator WHEELER, in regard to regulating interstate commerce in the products of child labor; to the Committee on Interstate and Foreign Commerce.

2843. Also, petition of the New York County Lawyers Association, New York, N. Y., urging disapproval of House Joint Resolution 303, introduced by Congressman CASE of South Dakota to prohibit the Supreme Court from declaring an act of Congress or the acts of State legislatures unconstitutional unless the decision is concurred in by two-thirds of the members of the Court; to the Committee on the Judiciary.

2844. Also, petition of the New York County Lawyers Association, New York, N. Y., urging disapproval of House Joint Resolution 307, seeking to bring about the retirement of all Federal judges at 70 years of age, and the prohibition against the United States Supreme Court declaring an act of Congress unconstitutional unless concurred in by seven Justices of that Court; to the Committee on the Judiciary.

2845. Also, petition of the New York County Lawyers Association, urging disapproval of House Joint Resolution 404, introduced by Congressman O'MALLEY, seeking to amend the Constitution of the United States by providing that any law held unconstitutional by the Supreme Court shall be valid if reenacted by Congress; to the Committee on the Judiciary.

2846. By Mr. JARRETT: Petition of citizens of Pleasantville, Pa., protesting against the Hill-Sheppard bill (H. R. 1954; S. 25); to the Committee on Military Affairs.

2847. By Mr. LUTHER A. JOHNSON: Petition of J. S. Herring, manager of Ideal Laboratories, Inc., Waxahachie, Tex., opposing House bill 7667, to impose an excise tax on blackstrap molasses; to the Committee on Ways and Means.

2848. By Mr. PFEIFER: Petition of the American Vault Co., Brooklyn, N. Y., concerning the Black-Connery bills; to the Committee on Labor.

2849. By the SPEAKER: Petition of the San Francisco Bay Area District Council, No. 2, San Francisco, Calif., with reference to carrying out the present Works Progress Administration program without any cuts in personnel; to the Committee on Labor.

2850. Also, petition of the Wisconsin Legislature, memorializing Congress to enact House bill 6092; to the Committee on Banking and Currency.

2851. Also, petition of the Common Council of the City of Detroit, memorializing the Congress to enact Senate bill 4424 and House bill 5033; to the Committee on Banking and Currency.

2852. Also, petition of the Board of Aldermen of the City of New York, memorializing the Congress to appropriate sufficient funds to maintain the Federal Works Progress Administration at its present level except for those privately reemployed; to the Committee on Appropriations.

2853. Also, petition of the Legislature of the State of Minnesota, memorializing the Congress to refrain from increasing the interest rate on loans made by the Farm Credit Administration; to the Committee on Agriculture.

## SENATE

WEDNESDAY, JULY 7, 1937

(Legislative day of Tuesday, July 6, 1937)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, July 6, 1937, was dispensed with, and the Journal was approved.

### CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum, and ask for a roll call.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	Hughes	Pepper
Andrews	Clark	Johnson, Calif.	Pittman
Ashurst	Connally	Johnson, Colo.	Pope
Austin	Copeland	King	Radcliffe
Bailey	Davis	La Follette	Reynolds
Bankhead	Dieterich	Lee	Robinson
Barkley	Duffy	Lewis	Schwartz
Berry	Ellender	Logan	Schwellenbach
Bilbo	Frazier	Louderman	Sheppard
Black	George	Lundeen	Shipstead
Bone	Gerry	McAdoo	Steiwer
Borah	Gillette	McCarran	Thomas, Okla.
Bridges	Glass	McGill	Thomas, Utah
Brown, Mich.	Green	McKellar	Townsend
Brown, N. H.	Guffey	McNary	Truman
Bulkeley	Hale	Minton	Tydings
Bulow	Harrison	Moore	Van Nuys
Burke	Hatch	Murray	Wagner
Byrd	Hayden	Neely	Walsh
Byrnes	Herring	Nye	Wheeler
Capper	Hitchcock	O'Mahoney	White
Caraway	Holt	Overton	

Mr. LEWIS. I announce the absence of the Senator from Connecticut [Mr. MALONEY], caused by illness.

The Senator from Ohio [Mr. DONAHEY], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], and the Senator from South Carolina [Mr. SMITH] are detained from the Senate on important public business. I ask that this announcement stand of record for the day.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is necessarily absent, and the Senator from Massachusetts [Mr. LODGE] is detained from the Senate by illness.

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present.

### PETITIONS

The PRESIDENT pro tempore laid before the Senate the petition of Adam Th. Drekolias, of Los Angeles, Calif., praying for the extension until October 12, 1954, of his patent (no. 1355656) issued October 12, 1920, on the "means of preventing the sinking of ships", which was referred to the Committee on Patents.

He also laid before the Senate resolutions adopted by the Northern California Newspaper Guild and the East Bay Union of Machinists, in the State of California, favoring the carrying out of the present W. P. A. program without personnel reductions and the making of further appropriations therefor when current appropriations become exhausted, which were ordered to lie on the table.

### LOW-COST HOUSING

Mr. WAGNER presented a statement of the Brooklyn (N. Y.) Committee for Better Housing, endorsing the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Detroit Boosters' Association, Locals Nos. 329 and 415, of the United Automobile Workers of America, Branch No. 4504 of the N. C. Zamfirescu, Branch No. 3 of the Communist Party, the Dom Polski Association, and the Renters' and Consumers' League, all of Detroit, and the Lithuanian Literary Club, of Hamtramck, all in the State of Michigan, favoring the prompt enactment of the pending low-cost housing bill, which were referred to the Committee on Education and Labor.

He also presented a resolution signed by C. C. Ward, publisher of the River Rouge Herald, of River Rouge (Detroit), Mich. (with text identical with that of the resolutions just above noted), which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Resolution for Wagner-Steagall housing bill addressed to Senator WAGNER and Congressman STEAGALL

Whereas there is an acute housing shortage in the city of Detroit that threatens the peace and welfare of the community; and

Whereas thousands of families are living in slum areas in homes unfit for human habitation; and

Whereas other thousands of families, in order to pay rents, have been forced to cut the food and necessities budget to the point that endangers the health and well-being of their children; and

Whereas slums are a breeding place of disease and crime and a menace to the health and safety of the city; and

Whereas slums constitute an unwarranted and unfair burden on the general taxpayer who has to pay for the excessive cost of city services in these areas which have a high percentage of tax delinquency; and

Whereas property owners are faced with depreciation of property values due to the encroachment of slums; and

Whereas private building enterprise cannot realize a reasonable and fair return on its investment in providing homes for families of an income of \$1,000 or under; and

Whereas President Roosevelt estimates that one-third of the people of the United States are ill-housed, and this means that approximately 10,000,000 families live under conditions that endanger their lives and safety, and menace the well-being of all communities; and

Whereas public support of slum clearance and the rehousing of low-income wage-workers is rolling like a tidal wave across the country and all forces working for public housing—Federal, State, and municipal authorities, organized labor, the churches (Catholic, Protestant, and Jewish), civic and social agencies—are united in the belief that a plan for providing Federal assistance to local housing authorities must be adopted by the Congress in the present session; and

Whereas the Wagner-Steagall housing bill will meet these respective needs in providing homes, not below an accepted minimum standard, for families in the lower-income brackets who are not now able to secure decent, safe, and sanitary dwellings at rents they can afford to pay, a measure that is second to none in social importance, economic necessity, and the urgency of the people's need: And be it therefore